USER'S MANUAL

Taxsoftware.com is a trade mark of

Internet Programming & Consulting, Inc.

P. O. Box 347

Glen Echo, MD 20812

Phone 301-320-7080

Contents

Chapter 1: What Is Taxsoftware.com?

Taxsoftware.com is the easiest, most secure, and most complete tax e-filing system available—and it's the least expensive! Taxsoftware.com is tax preparation software designed by programmers who helped the IRS develop the standards for e-filing, and it's been **IRS tested and approved**.

Taxsoftware.com will walk you through your tax return. It prompts you for every necessary input, guides you to each required form, does all the calculations, and flags any errors—before your return gets to the IRS. It makes e-filing **easy and error-free**. All you do is type in numbers.

Anyone can use Taxsoftware.com—individual or professional, personal or business—whether you're filing one return or thousands. Because you can get your updates online, you don't have to worry about getting the latest software update, patch, or fix; it's **up-to-date all the time, every time**, no matter when you log in. And Taxsoftware.com can transmit your tax return directly to the IRS, so you don't even have to print it.

To keep your tax information safe—and make accessing your return easier—Taxsoftware.com uses digital ID certificates, or UPIDs, to identify users; there are **no usernames or passwords** to remember or have stolen. You can use any digital ID you already have or you can get one from Taxsoftware.com. Follow the instructions in **Using Taxsoftware.com** to get your digital ID.

Chapter 2: E-services

Taxsoftware.com e-services is a product designed for professionals looking for the easiest, fastest, most secure—and least expensive—system for tax preparation around. Taxsoftware.com offers all the forms and schedules you need—with none of the worry about software package updates. Because the updates come online, you don't have to worry about getting the latest software patch or fix; it's **up-to-date all the time, every time**, no matter when you log in.

E-service means paperless tax returns. ***No more Forms 8453!*** When you sign up for Taxsoftware.com e-services, you can use a practitioner PIN method to e-file. This eliminates the Form 8453 requirements for all forms. Normally, you need to fax a Form 8453S for Form 1120s, Form 8453C for Form 1120, or Form 8453EO for Form 1120POL, and mail a Form 8453P for Form 1065, Form 8453OL for Form 1040, or Form 8453F for Form 1041. With Taxsoftware.com e-services you sign up for a practioner PIN and just enter your EFIN, PTIN, and PIN when you e-

file. Then no Form 8453 is required. For more information see: http://www.irs.gov/efile/article/0,,id=119998,00.html#Pract1

After you e-file Information Returns (Federal Information Returns) tax return you get **Taxpayer Identification Number (TIN) matching.** TIN matching is a pre-filing service offered to payers and/or authorized agents who submit any of six information returns subject to backup withholding (Forms 1099-B, INT, DIV, OID, PATR, and MISC). With *Interactive TIN Matching* authorized payers can match up to 25 payee TIN and name combinations against IRS records prior to submitting an information return. In order to participate in TIN matching, payers must be listed in the IRS Payer Account File (PAF) database. If your firm has not filed information returns with the IRS in one of the past two tax years, this application will not be available to you at this time.

After you e-file 100 IRS Form 1040/1040A/1040EZ tax returns next year, you will get access to the other IRS e-services products, such as:

Disclosure Authorization: Eligible tax professionals may complete authorization forms, view and modify existing forms, and receive acknowledgement of accepted submissions immediately - all online. Disclosure authorization allows tax professionals to electronically submit Form 2848, Power of Attorney and Declaration of Representative, and Form 8821, Tax Information Authorization. This e-service expedites processing and issues a real-time acknowledgment of accepted submissions.

Electronic Account Resolution: Electronic account resolution allows tax professionals to expedite closure on clients' account problems by electronically sending/receiving account-related inquiries. Tax professionals may inquire about individual or business account problems, refunds, installment agreements, missing payments, or notices. Tax professionals must have a power of attorney on file before accessing a client's account. The IRS response will be delivered to an electronic secure mailbox within 72 hours.

Transcript Delivery System: Use the transcript delivery system to request tax return transcripts, account transcripts, and a record of account for your individual and business taxpayers. Resolve your clients need for account information quickly in a secure, online session. Tax professionals must have authorization on file with the IRS before accessing a client's account.

Who Should Use E-services

The Taxsoftware.com e-services product is designed for tax preparers who prepare 100 returns or more per tax year. If you prepare fewer than 100 tax returns per year, use the Pay Per Return Preparer pricing package.

Taxsoftware.com transmits returns directly to the IRS—no need to print pages of paper. And when you sign up for Taxsoftware.com e-services, you can use the IRS's practitioner PIN method to e-file. That means **no more Forms 8453**—a truly paperless return!

To secure your data—and the confidence of your clients—Taxsoftware.com uses digital ID certificates, or UPIDs, to identify users; there are **no usernames or passwords** to remember or have stolen. You can use any digital ID you already have or you can get one from Taxsoftware.com. Follow the instructions in **Using Taxsoftware.com** to secure your UPID.

If you already have your IRS-designated EFIN (electronic filing identification number) and PTIN (preparer tax identification number), you're ready to go. If not, sign up with the IRS for e-services at http://www.irs.gov/taxpros/article/0,,id=109646,00.html.

Electronic Signatures with Taxsoftware.com e-services

All tax returns submitted to the IRS—whether on paper or electronically—must be signed. The advantage to using Taxsoftware.com e-services is that you can **sign electronically** and do away entirely with the signed paper, Form 8453, that must accompany other electronic returns.

Taxpayers filing electronically must sign both the return and the Declaration of Taxpayer—the form that authorizes submission of the return before the return is actually transmitted. Taxsoftware.com offers users the chance to use the IRS's Practitioner PIN method of signing both forms electronically. A taxpayer who has a Form 8878 or 8879, IRS *e-file* Signature Authorizations, on file with an ERO has authorized the ERO to sign forms electronically for the taxpayer. Taxsoftware.com allows EROs to enter the appropriate PINs on the return to make any further paper trail unnecessary. The ERO must also sign the return with a PIN and must retain copies of the taxpayers' Forms 8878 or 8879 for three years.

The following taxpayers are ineligible to sign individual income tax returns with an electronic signature:

1. Taxpayers who filed Form 1040-NR or 1040-SS the prior tax year; and
2. Taxpayers required to file the following forms, which must be attached to Form 8453, *U.S. Individual Income Tax Declaration for an IRS e-file Return* or Form 8453 OL, *U.S. Individual Income Tax Declaration for an IRS e-file Online Return*:

1. Form 3115, *Application for Change in Accounting Method*;

2. Form 3468, *Investment Credit, Historic Structure Certificate*;
3. Form 5713, *International Boycott Report*;
4. Form 8283, *Non-Cash Charitable Contribution, Section B Appraisal Summary*;
5. Form 8332, *Release of Claim to Exemption for Children of Divorced or Separated Parents*;
6. Form 8858, *Information Return of U.S. Persons With Respect To Foreign Disregarded Entities*; or
7. Form 8885, *Health Coverage Tax Credit*.

If the taxpayer is ineligible to use an electronic signature or chooses not to do so, a signature on a paper declaration must be completed.

RALs with Taxsoftware.com

Taxsoftware.com e-services is an online web site product designed for professionals looking for

Taxsoftware.com e-services give professionals a chance to offer their clients easy money: quick, low-cost RALs from a high-service bank. Taxsoftware.com has partnered with Refund-advantage. User's must sign up directly with the bank entity to process your bank products through Taxsoftware.com. Clients get their money fast, with easy-to-use check cards—no long-standing bank accounts necessary for check cashing; no giant fees associated with non-standard check cashing. And each time your clients use their money, you get paid as well. See step-by-step instructions for Refund-Advantage bank products from our web site.

When you prepare the taxpayer's tax return you give the taxpayer an ATM Cash Connection card. When the taxpayer receives a refund your tax preparation fees can be automatically deducted from the refund and deposited into your bank account. Then the balance of the refund can be deposited onto the ATM Cash Connection Card. Taxpayers can then go to any ATM machine and withdraw the refund and no check cashing-in required!!

How to Sign Up for E-services

1. First you need to sign up for the IRS e-services and get an EFIN and PTIN.

EFIN stands for Electronic Filing Identification number. To apply for that you need to click on the link below and select ***Registration Services***. Then complete the application and wait for your EFIN to come in the mail within 28 days.

PTIN stands for Preparer Tax Identification Number and can be used for a preparer instead of a Social Security Number. A PTIN is not enough for a paid preparer to e-file.

Click here to link to the IRS e-services page and apply for a **PTIN and/or EFIN.**

2. You need to get a digital ID to verify your identify. You cannot use Taxsoftware.com e-services or paperless e-filing until you get a digital ID. You will need to install the same digital ID on each computer you have that will use the Taxsoftware.com e-services package. The digital ID is used to verify your identity before each time you e-file your tax returns. This security system ensures that no one can use your account improperly.

We will give you a free digital ID after you get your e-services account.

3. All that's left to do is activate for the Taxsoftware.com e-services package.

Follow the instructions below to activate your e-services account

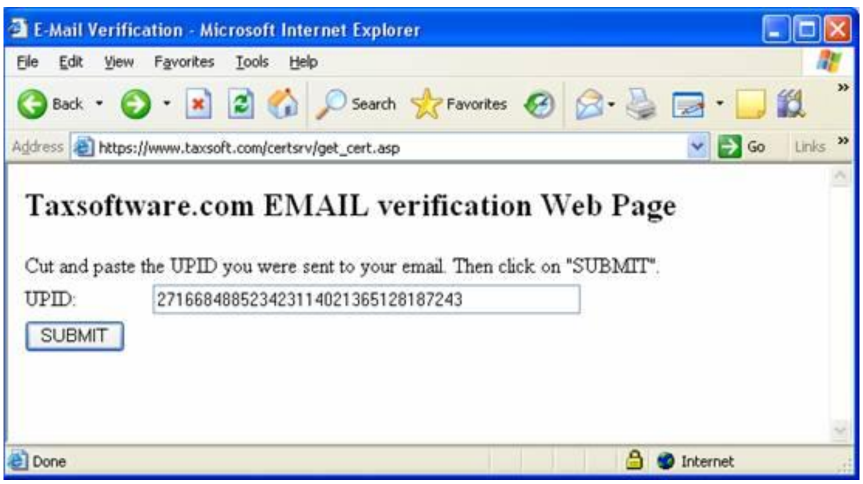
Getting your Digital Certificate

1. From the e-services web page, click on the "Buy Now" graphic.

This will take you to the "Taxsoftware.com E-Mail Verification" link, shown below. You will be asked to enter your e-mail address for verification. Enter your e-mail address, then click on "Submit." Then please close your web browser.

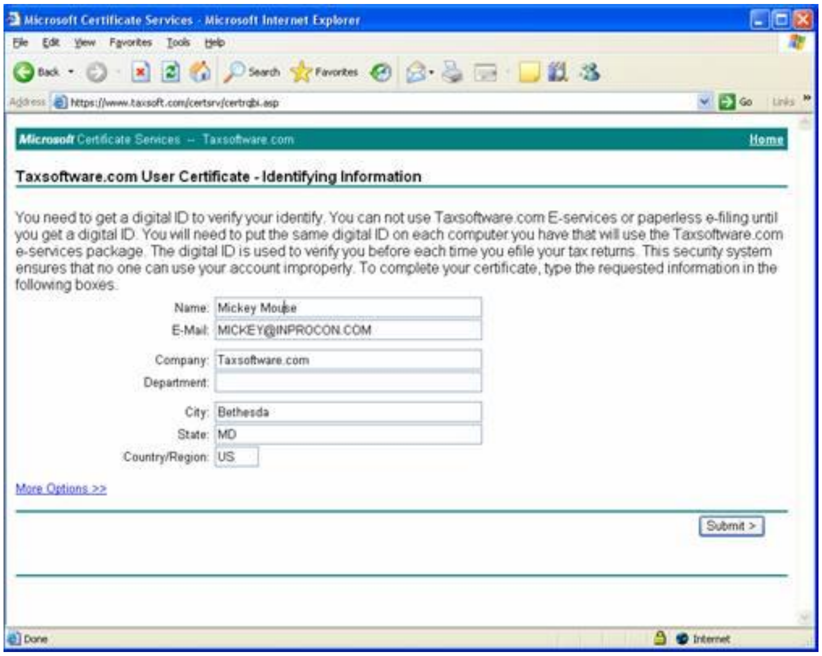
You will receive a verification e-mail with instructions on how to proceed. It will contain a multi-digit UPID necessary to secure your account. After you receive this UPID, please return to the web site: https://www.Taxsoftware.com.com/certsrv/get_cert.asp.

2. You will be prompted to cut and paste the UPID from your verification e-mail into the box provided. Then click on "Submit."



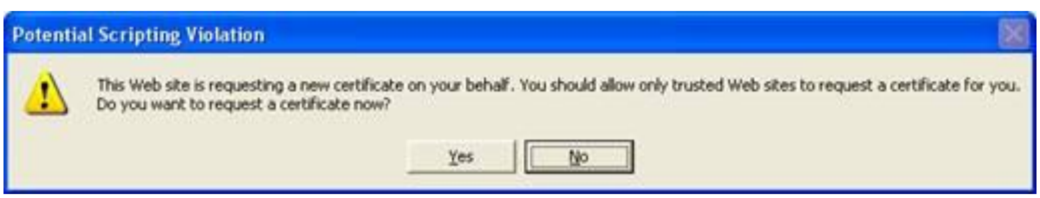
3. The next page will request identifying information, as shown below. Please fill in the information for your Taxsoftware.com user certificate. The certificate is a digital ID that is used to identify you. No username or password is required when using Taxsoftware.com e-services.

4. Click on "submit" after you have filled in the required information.

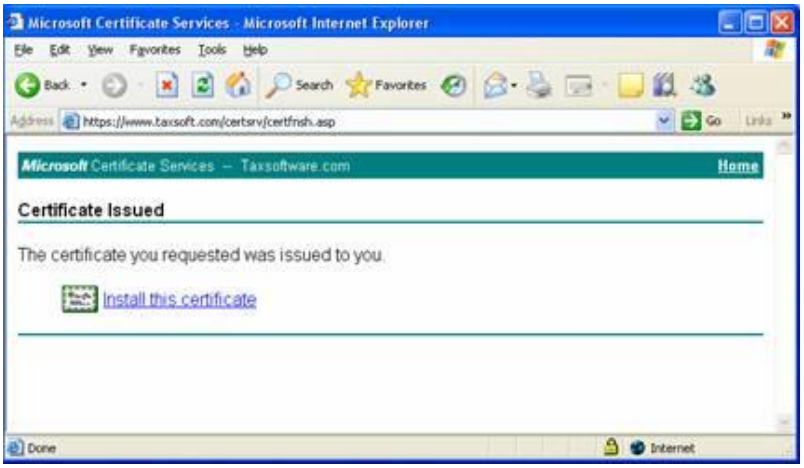


5. To install your certificate, you will click through a series of prompts. You must answer "Yes" to the security questions.

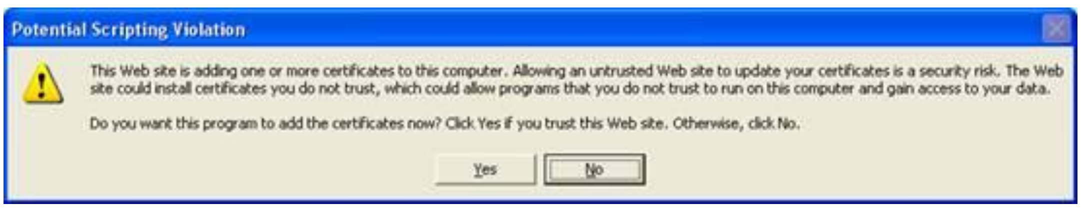
Click on "yes" to request a certificate now, as shown below.



6. When the certificate you requested is issued, click on "Install this certificate" to install the digital ID onto your computer.

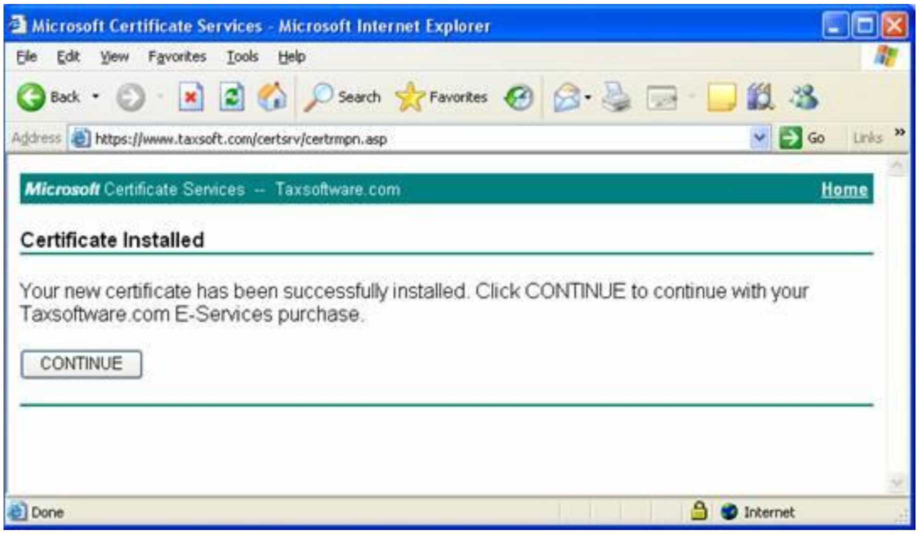


7. Click on "Yes" to add the certificates now, as shown below.



8. Click on "Yes" to install a certificate from Taxsoftware.com.

9. You will receive a prompt that your certificate has been successfully installed. After the certificate is installed, you can click on "Continue" to pay for your e-services account.



Activating your E-services Account

Follow the steps below to purchase/activate e-services online.

1. Every time you access the e-services management web site to purchase services, you will be prompted to present your digital ID/user certificate. Select your certificate and click on "OK" to present your digital ID to Taxsoftware.com.

2. You will see the Taxsoftware.com e-services Payment Page, shown below. This page will reflect the status of your e-services account. Any payments previously made will be listed on this web page.

Click on "Update Profile" to fill in your EFIN and PTIN information. Your EFIN and PTIN were assigned by the IRS when you first e-filed.

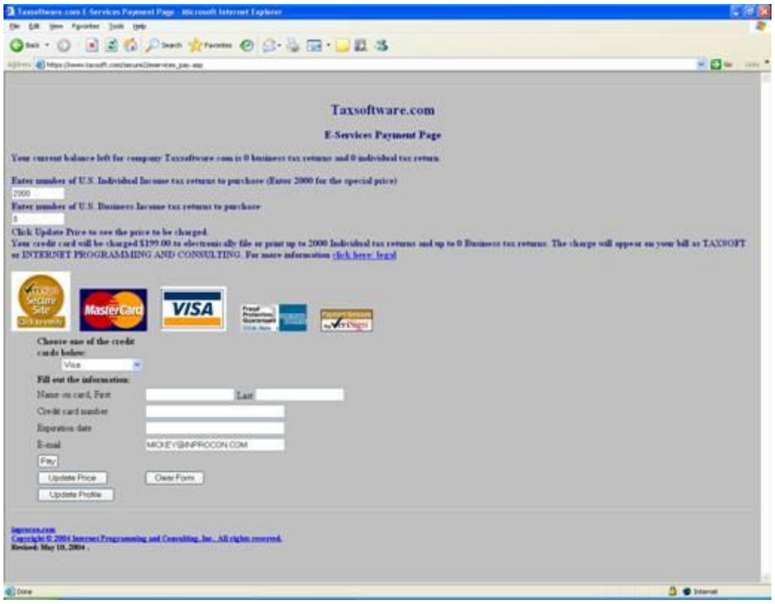
3. The next page is the New Company for e-services page, shown below. You must enter your correct EFIN and PTIN information on this web page.

You will only be able to e-file tax returns with Taxsoftware.com if your EFIN, PTIN, and digital ID all match. This protects your account from misuse. No one else will be able to e-file any tax returns under your EFIN.

Click on "Continue" after you have updated all of your information.

4. To purchase a new e-services package, as shown below, enter 2000 for the number of individual tax returns to receive the special price. Then click on “Update Price.” You may also purchase business tax returns from this web page by entering the number of business tax returns desired and clicking on “Update Price.”

5. After you have updated the price, the total amount for your purchase is shown. You can enter your payment information and click on “Pay” to pay for the returns.



6. You can return to the e-services management web page at any time to check on your purchases or see any payments made on your account. The e-services management web page can be accessed by clicking on the "Buy Now" graphic on the e-services web page at any time.

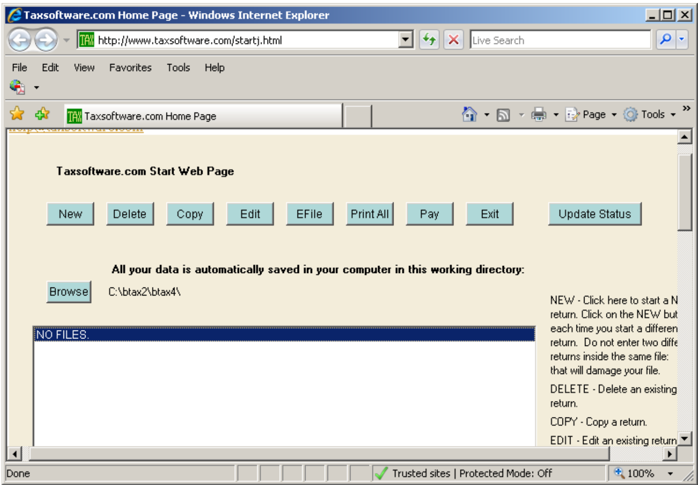
If you have already paid for you account, please go to "Activate e-services now."

Chapter 3: Simplified Version – Online

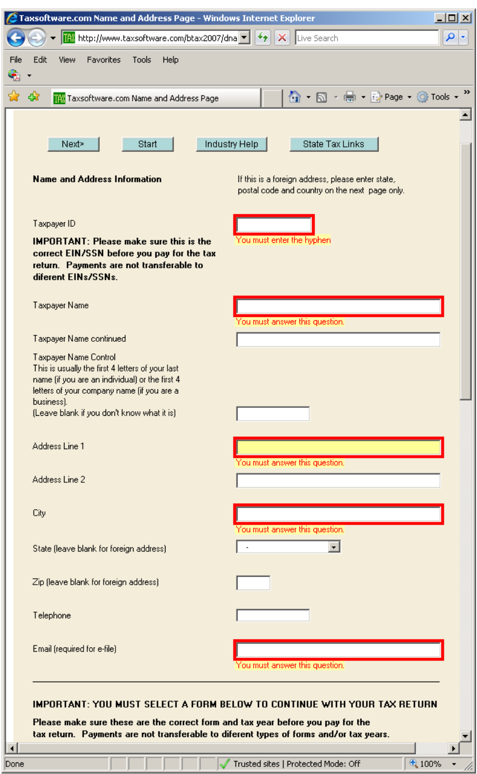
1. Please go to www.taxsoftware.com and click on the "Click here to start your tax return" bar.

2. Then click on the ACCEPT button and show on the next figure.

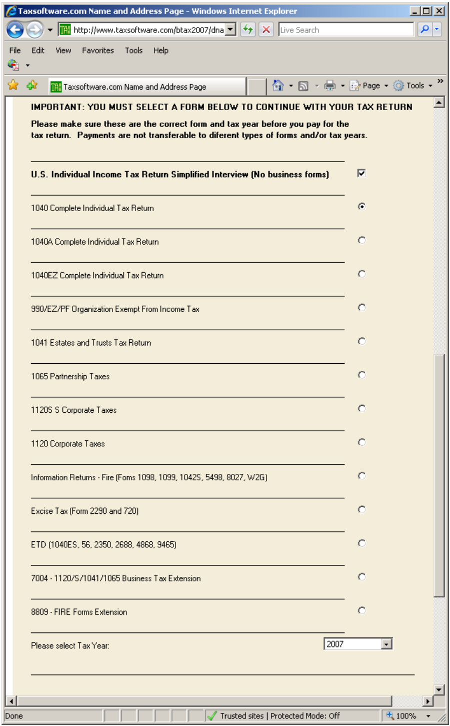
3. Click on the NEW button to start a tax return.



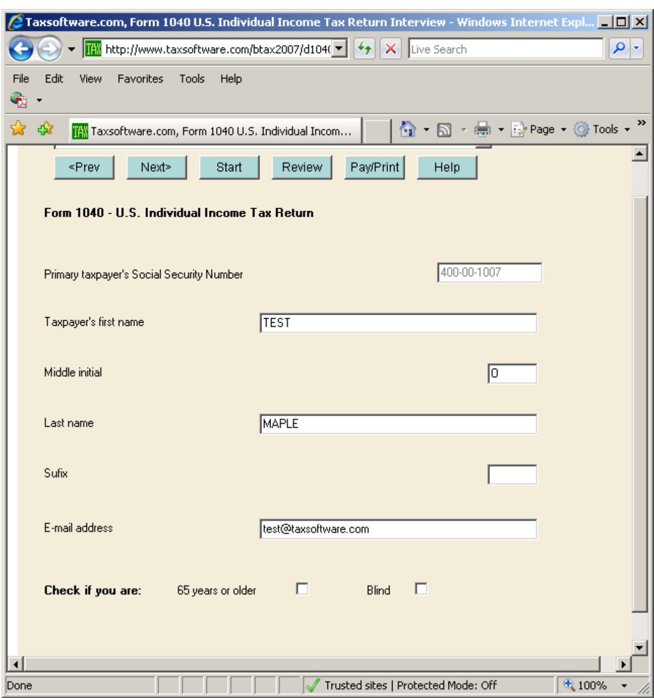
4. Enter your data on the first screen.



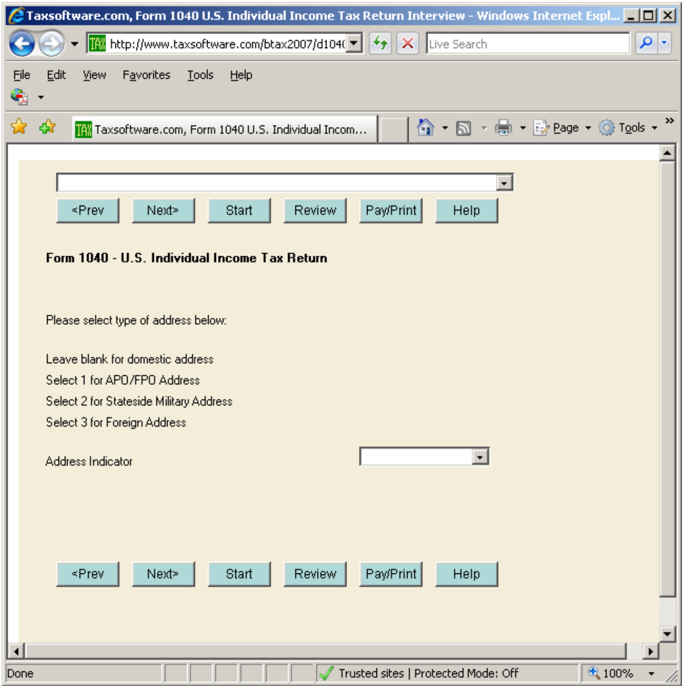
5. Scroll down to select what type of form you need to do and tax year.



6. Click on NEXT to continue entering your data throughout the entire tax return.



7. New pages will show up according to your previous answers.



Chapter 4: Simplified Version – Offline

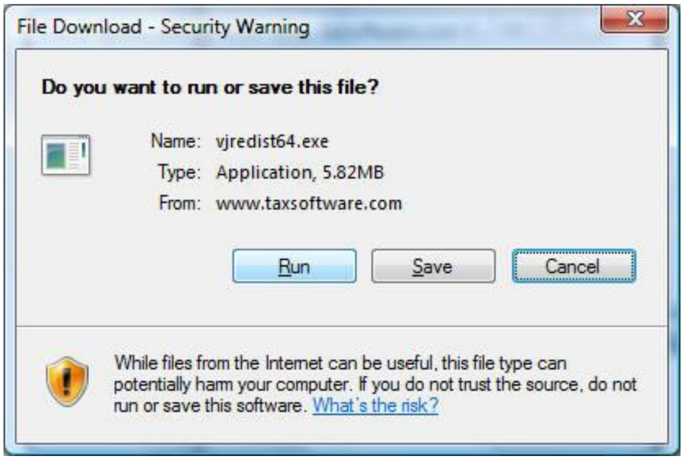
1. To use our Simplified version offline, Tax software.com requires that you first install Microsoft.Net. Click on this link.

[Microsoft .NET J# 2.0 2nd Edition]

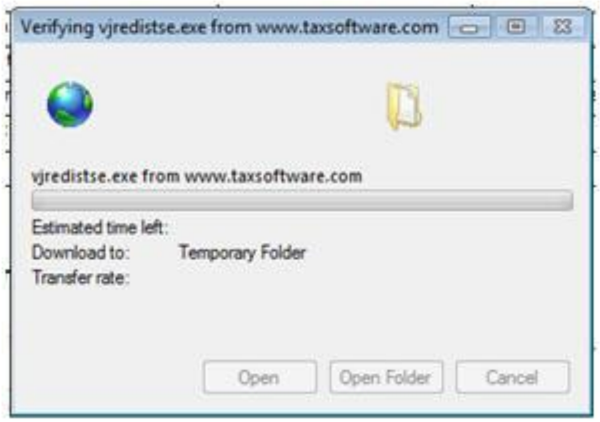
or

For 64 bit users: [Microsoft .NET J# 2.0 x64 2nd Edition]

2. Select RUN on this screen.

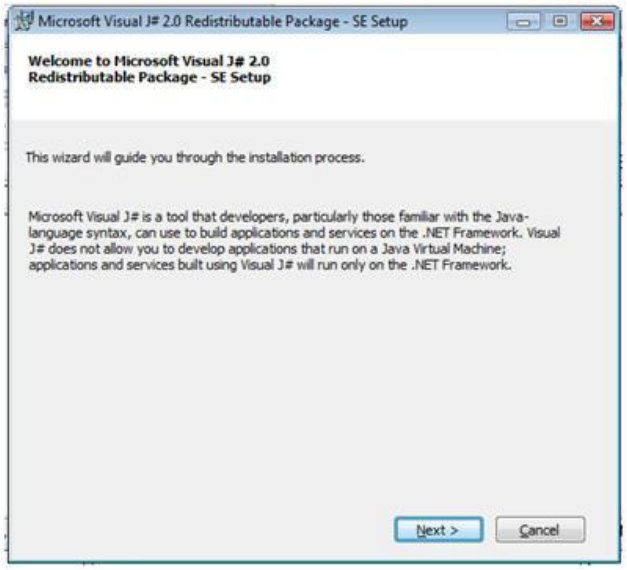


3. You will see this screen.



4. Click on RUN on this screen.

5. Click on NEXT.



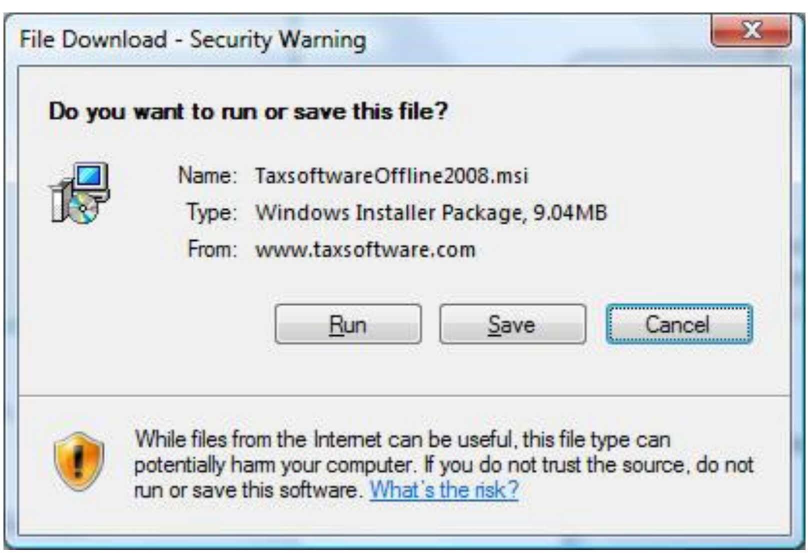
Follow the instructions below next to complete the installation.

1. Click on this link to download Taxsoftware.com

[TaxsoftwareOffline2008.msi](http://www.taxsoftware.com/btax2008/TaxsoftwareOffline2008.msi) Version 1.1.229 or go to

http://www.taxsoftware.com/btax2008/TaxsoftwareOffline2008.msi

2. You will see the screen below pop up. Please select RUN.



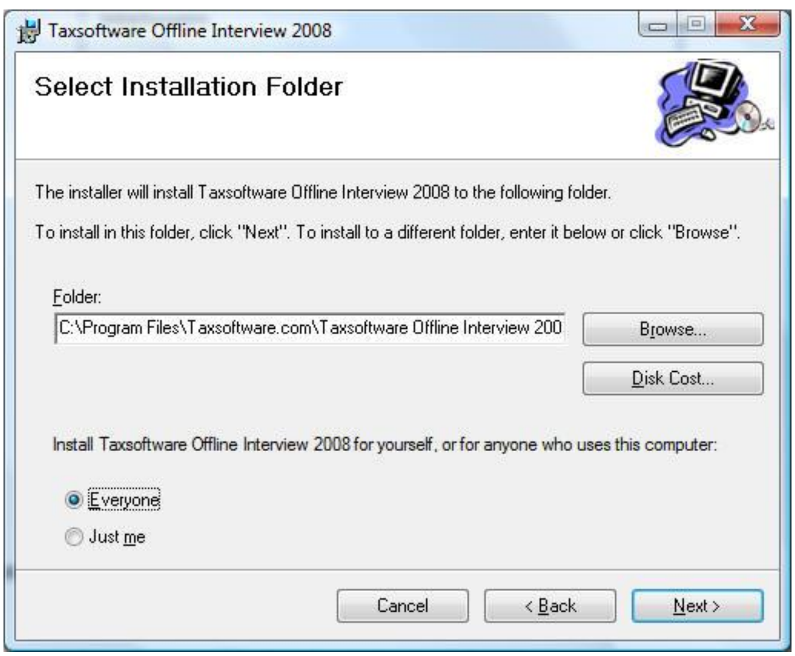
3. Click on RUN.

4. Click on NEXT.

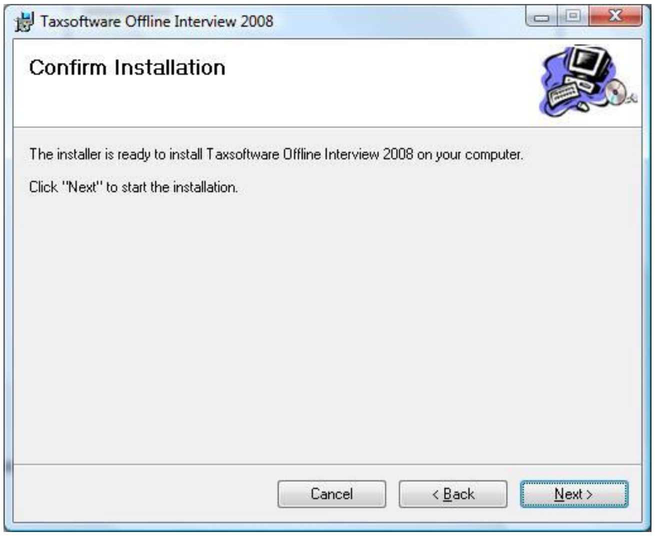
5. Please read the License Agreement and check "I Agree" before you continue.

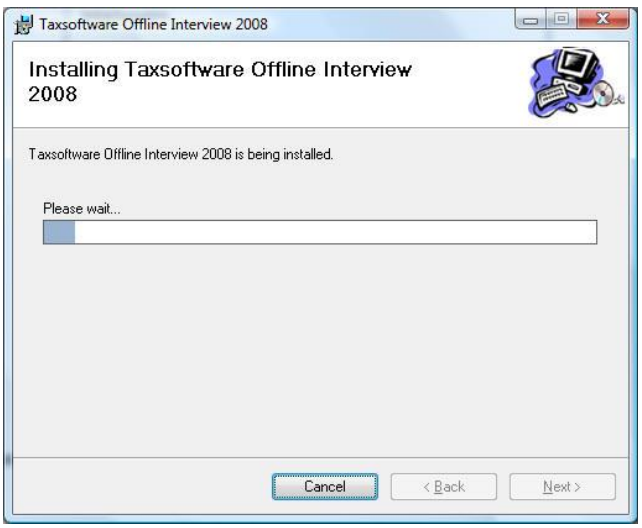
Then click on NEXT.

6. Select "Everyone" Click on NEXT.

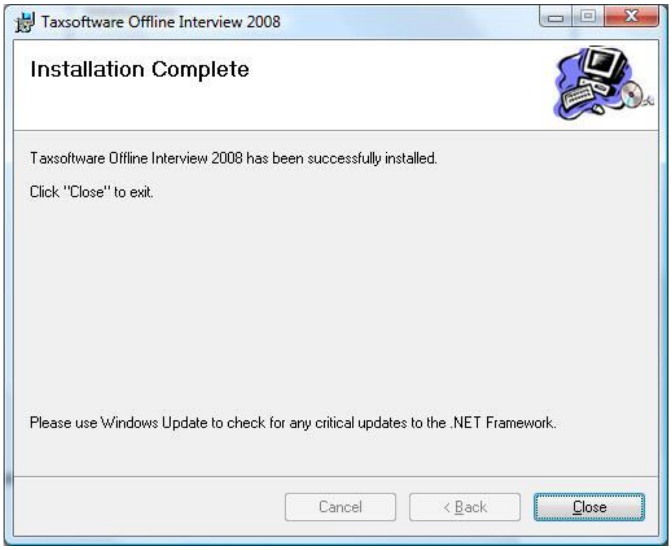


7. Click on NEXT.





8. Click on CLOSE. Now you have Taxsoftware.com Offline installed in your computer.



Accessing your Taxsoftware.com Offline Software.

1. From your computer, go to your Start feature at the bottom left of your screen.

Select "All Programs" and then select Taxsoftware.com.

2. Two screens will pop up on your desktop.

On this screen:

Click on NEW to start a new return.

Click on OPEN to an existing return.

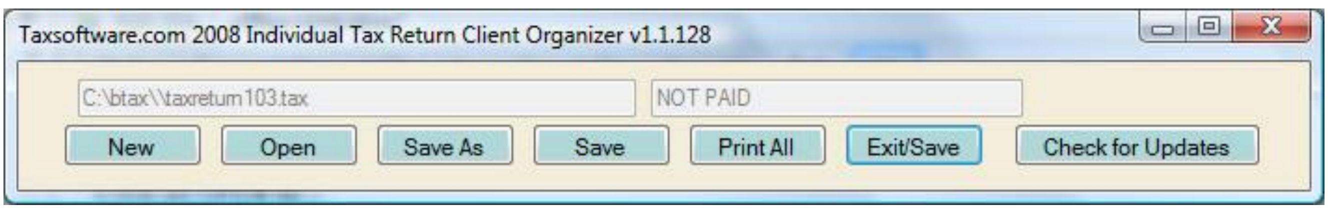
Click on SAVE AS to save the file in a specific directory, and a specific name you chose.

Click on SAVE to automatically save your return.

Click on PAY/PRINT to pay for your return. After you pay, the button will say PRINT, and will be used to print your entire return.

Click on EXIT/SAVE to close your software and save all your data.

Click on CHECK FOR UPDATES to come to this page.



Chapter 5: Using the Simplified Version – Online and Offline

The following instructions are common for both Online and Offline Versions of Simplified Taxsoftware.com

1. Start entering all your data on the screens. Click on NEXT every time you want to move to another screen.

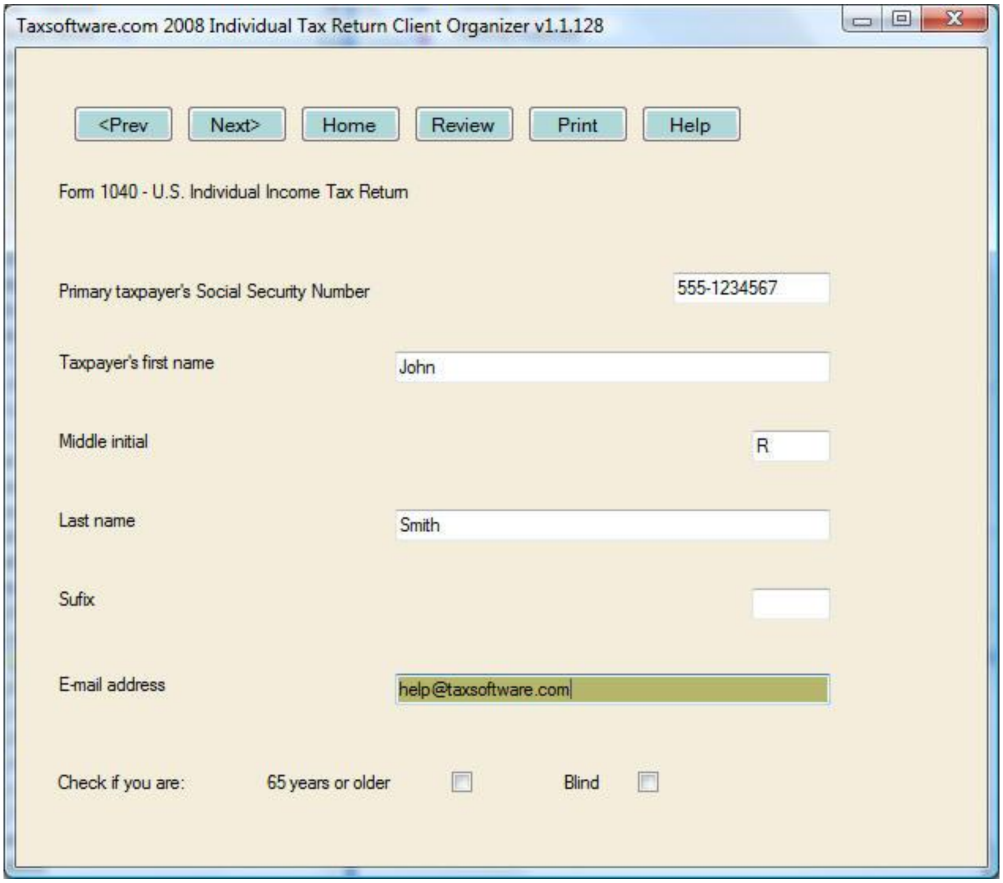
On this screen:

Click on the PREV button to go back to the previous screen.

Click on the NEXT button to move to the next screen.

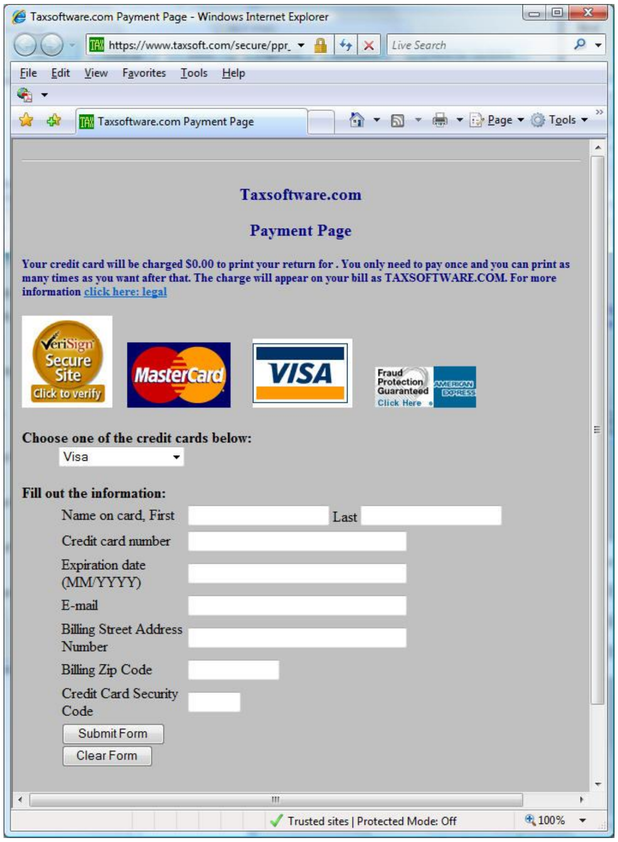
Click on HOME to go back to the first page (Shown to the right)

Click on HELP to see a PDF format help file.

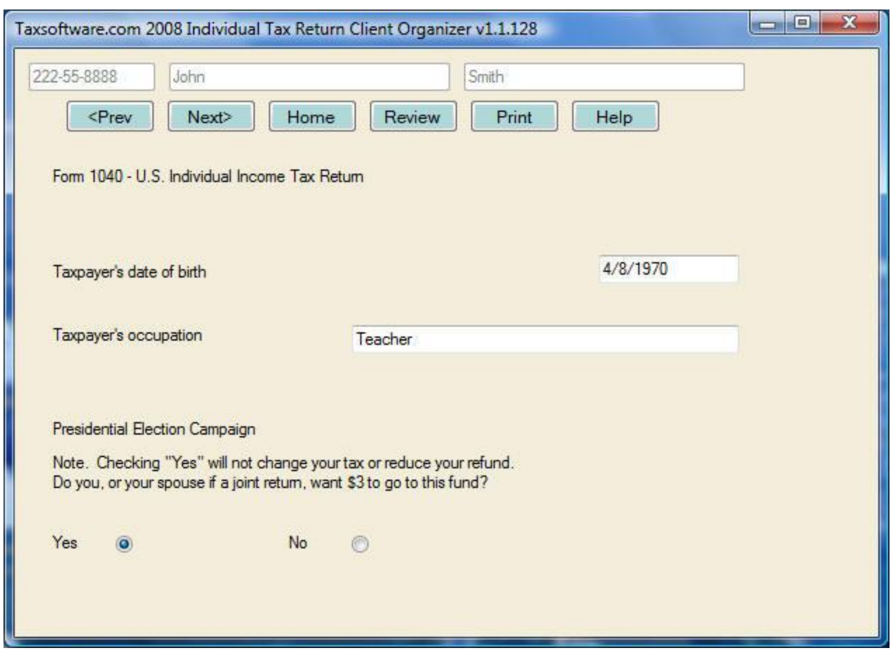


2. Click on PAY/PRINT to pay for your return. After you pay, the button will say PRINT, and will be used to print your entire return.

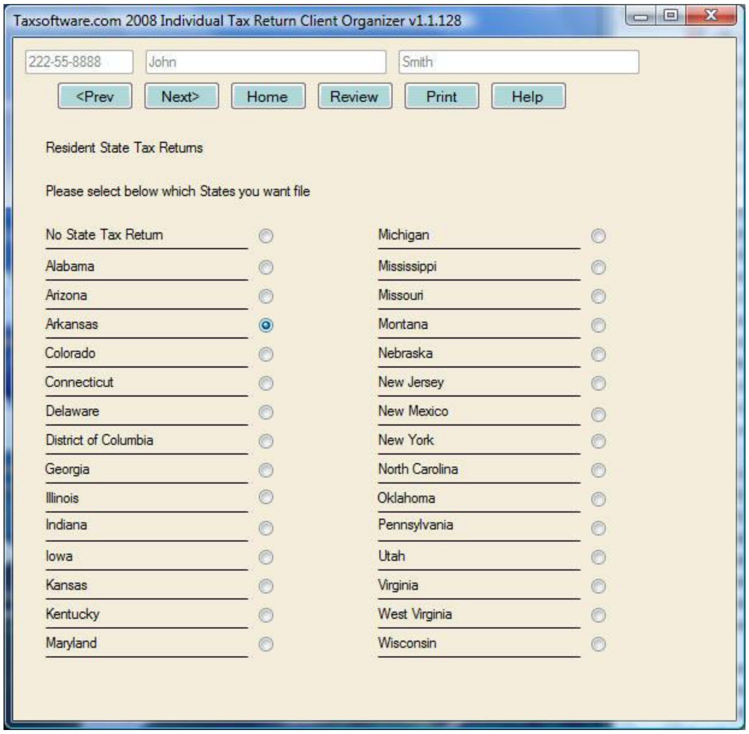
A credit card input screen will pop up so you can enter the payment information.



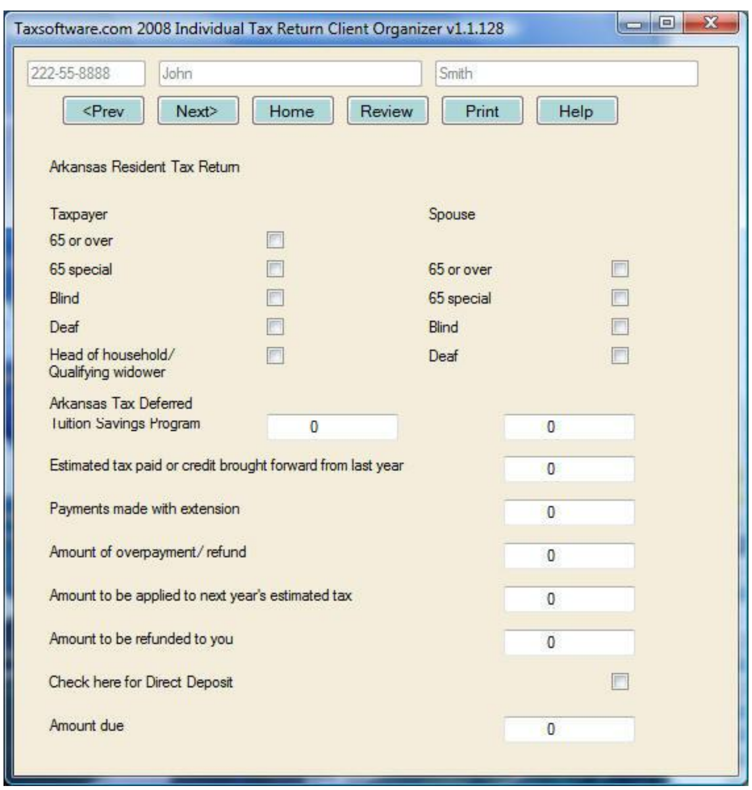
3. Enter your data and click on NEXT. Repeat this step until you go through all the pages in your return.



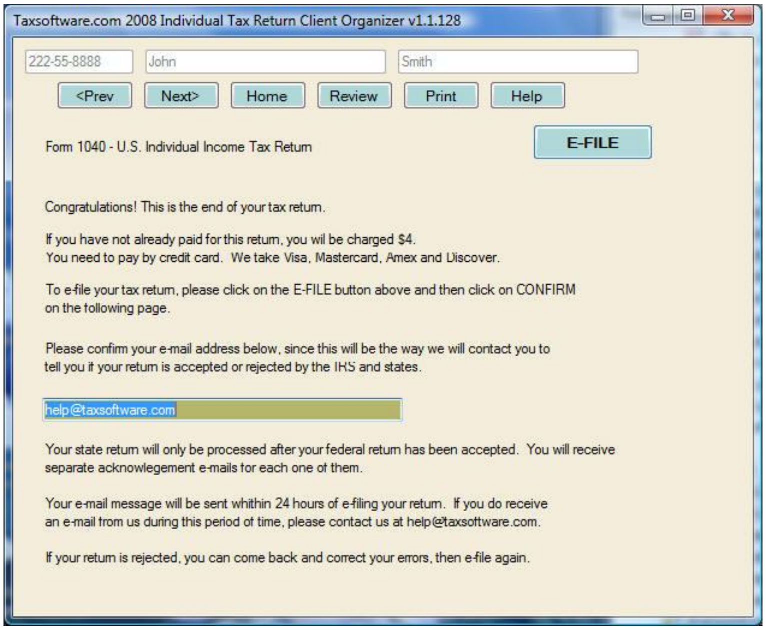
4. To file a state return, just select which state you want on this page and click on NEXT.



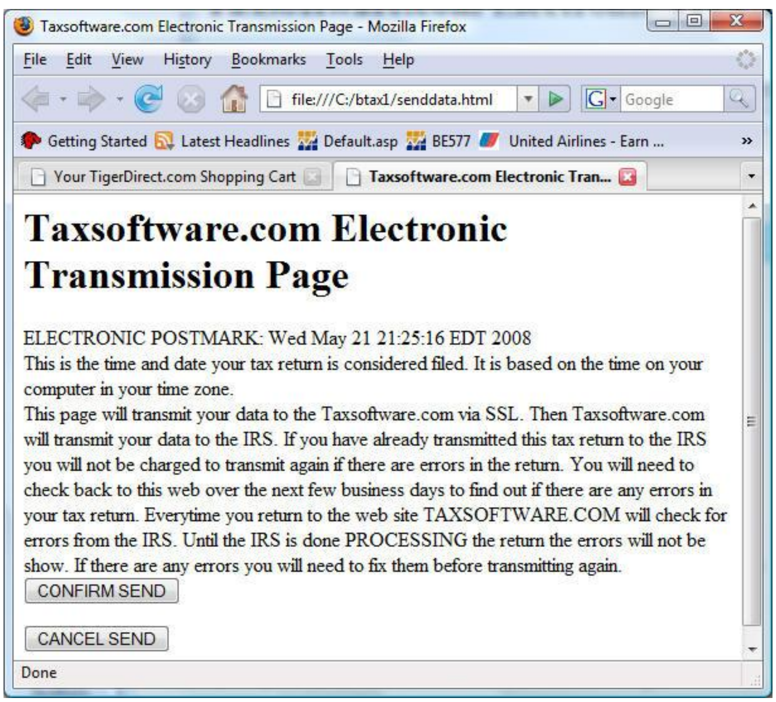
5. Then enter all the information as appropriate. Click on NEXT.



6. Click on the E-FILE button to e-file your return.



7. Confirm your transmission on this screen.



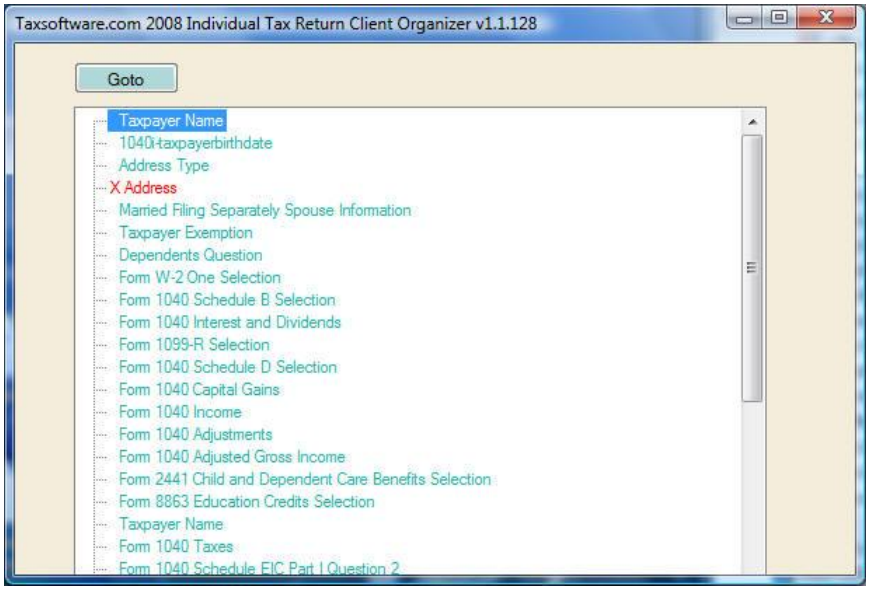
8. The last page you will see will be the REVIEW page.

You can get to this screen at any time by clicking on the REVIEW button.

The pages listed in blue are correct.

The pages listed in red have an error.

The pages listed in black, have no been visited yet.



IMPORTANT: To uninstall Taxsoftware.com Offline, just use your "Add and Remove" or "Programs and Features" command inside your computer's CONTROL PANEL.

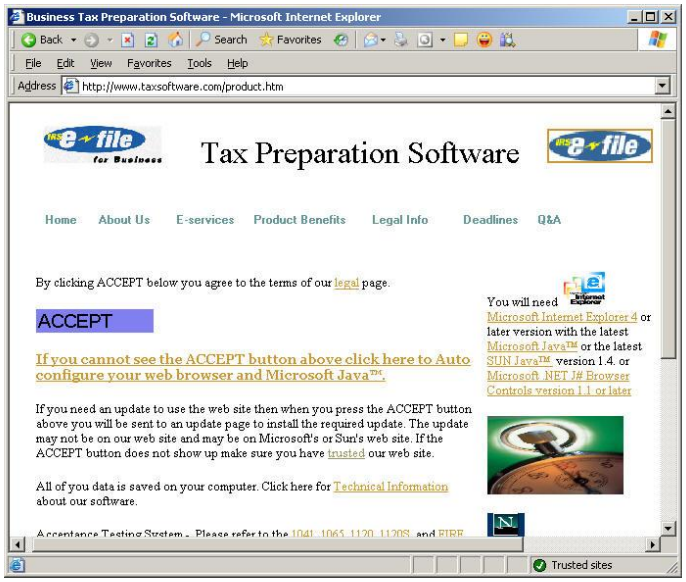
Chapter 6: Full Version of Taxsoftware.com Online

To start a return:

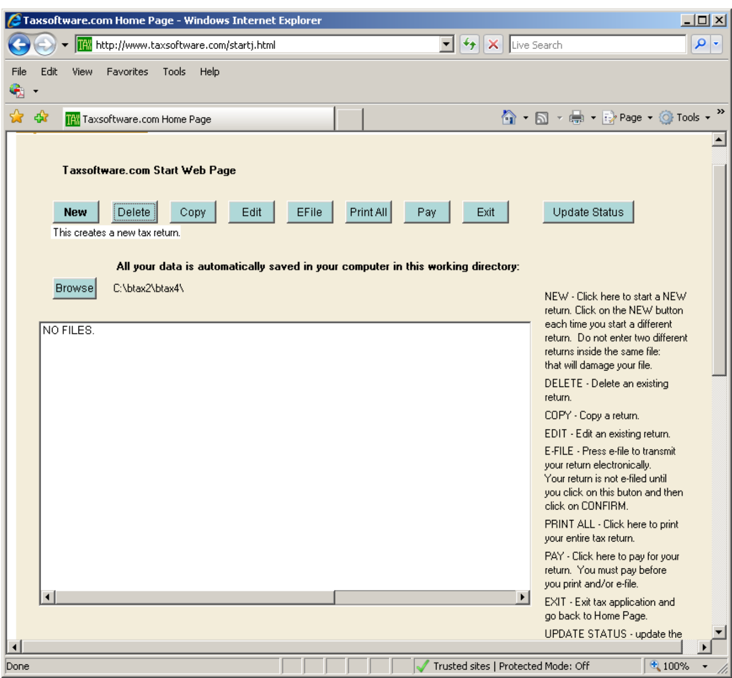
1. Start by going to http://www.taxsoftware.com

2. Click on the bar that says "Click here to start your tax return;"

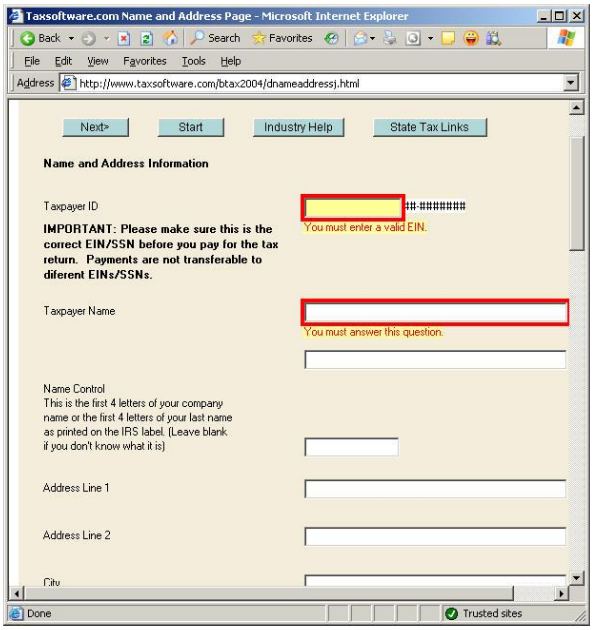
3. Click on ACCEPT;



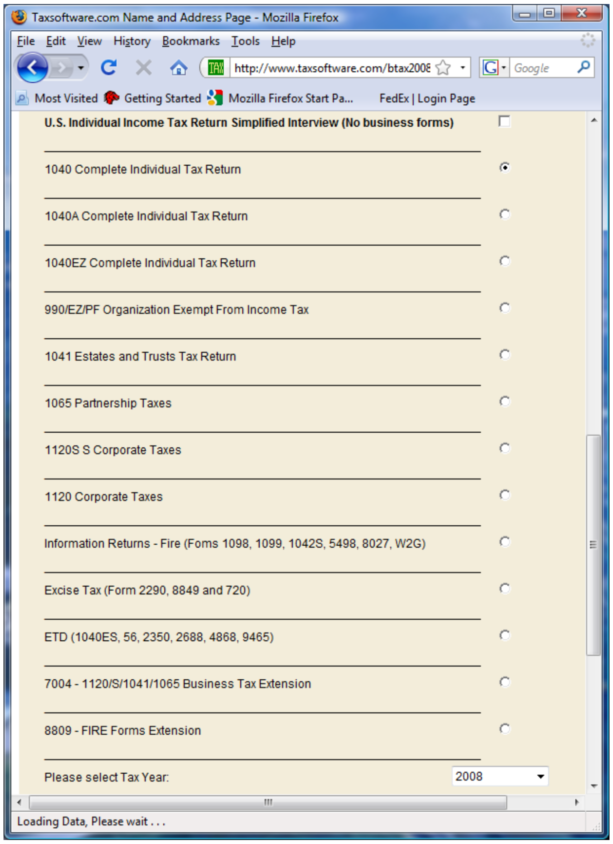
4. Click on NEW at the top of the page;



5. Fill in the name and address web page;



6. Select the form and the tax year;



8. Click on NEXT and continue and complete all the pages on the return;
9. At the top or bottom of every web page in the tax return interview there is a series of buttons, as shown below.

   <Prev - Click on "Prev" to go back to the previous web page in the interview process.

   Next> - Click on "Next" to go to the next web page in the interview process. You can go to the next web page in the interview process even if you have an error or have not completed the current web page.

   Start - Click on "Start" to go back to the start page.

   Review - Click on "Review" to see a review of your tax return and navigate quickly around your tax return.

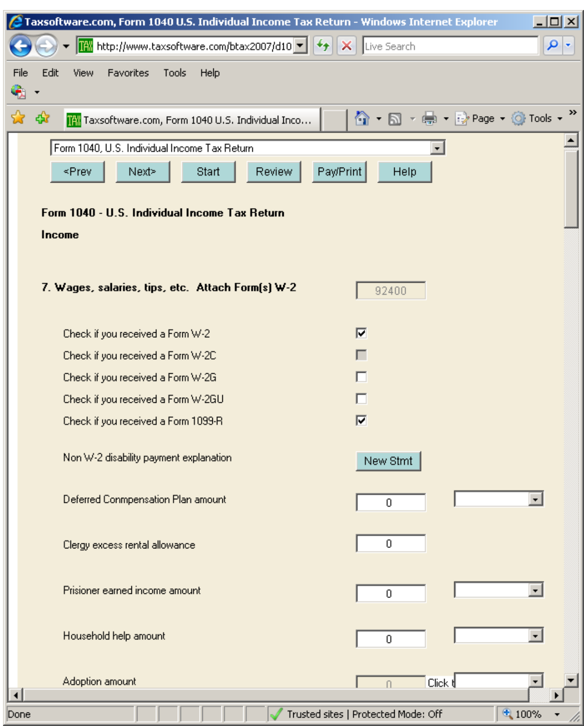
   Pay/Print - Click on "Pay/Print" and the price for the tax return will be deducted from your Taxsoftware.com e-services account. If you do not have an E-services account, you can pay using a credit card.

   If you have already paid, you can click on "Print" to print just the tax form you are currently working on.

   Help – Click on "Help" to access tax research. Tax research specific to what you are working on will show up any time you click this button.

   New Stmt – Click on "New Stmt" to add a statement that is permitted by IRS E-File.

   From time to time you may see the "New Stmt" button. Every statement permitted by IRS E-File will have a button. If a statement is not supported by IRS E-File, then no button will show up.



10. On each web page there may be check boxes such as "Check if you received a Form W-2." When you check these boxes, the forms will be added to the interview.

    If you always check the correct boxes and click on "Next," you will be taken to every form and worksheet required for your tax return based on your answers.

    You can always click on "Prev" and change your answers, and then click "Next" and the form and worksheets in the tax return will change.

11. At any time you can select any form from the drop down at the top of the web page, as shown below. You will jump to the form selected and stop going through the interview.

12. Click on the "Review" button at any time to see the review or Summary Page, as shown below. On the review page you will see a list of web pages in the tax return. This list is determined by your answers to any questions in the process, up to this point. The list of web pages may change if you change your answers.

    A check in green indicates that the web page has no potential E-File errors.

    An X in red indicates that the web page has a potential E-File error.

No X and **no** check indicates that the web page is incomplete and you still need to fill it in.

If you click on any web page in the list, you will go directly to that web page and avoid the interview order. You can fill in the interview in any order that you want.

There are five buttons on the Summary Page, as shown below.

Pay/Print All – Click on "Pay/Print All" to print the entire tax return for print copies and mail filing. The worksheets not required by the IRS will not be printed.

Errors – Click on "Errors" to show results from the acknowledgement file you last got back from the IRS after you e-filed your tax return.

Start – Click on "Start" to go directly to the start page.

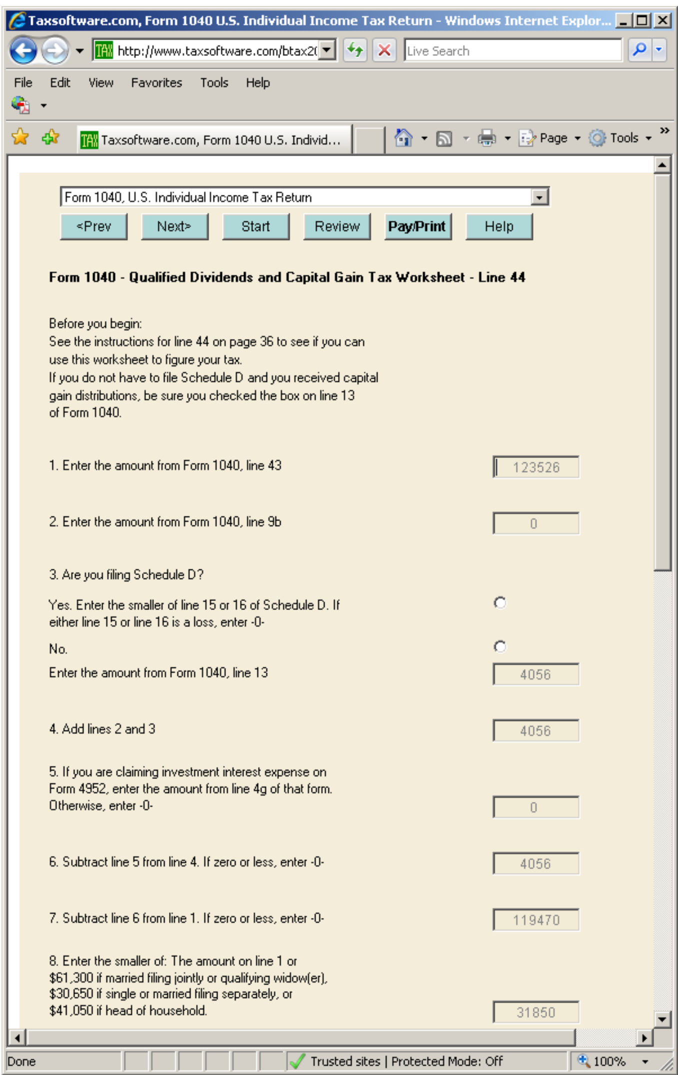
Review – Click on "Review" to refresh or update the current list of web pages.

E-file – Click on "E-file" to transmit your return electronically.

Worksheets

1. You can select any worksheet from the drop down at the top of the review or Summary Page to see the calculations on the worksheet.

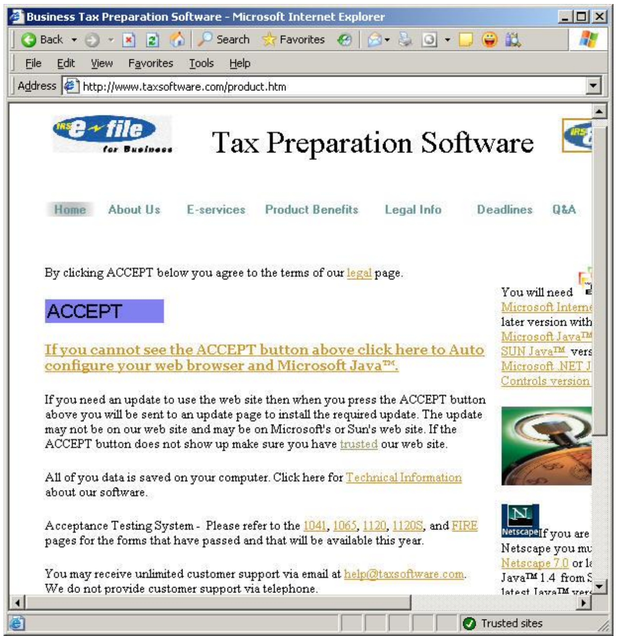
2. To print a worksheet, click on the worksheet web page from the review web page. Once on the worksheet web page, click on "Print" to get just the worksheet.



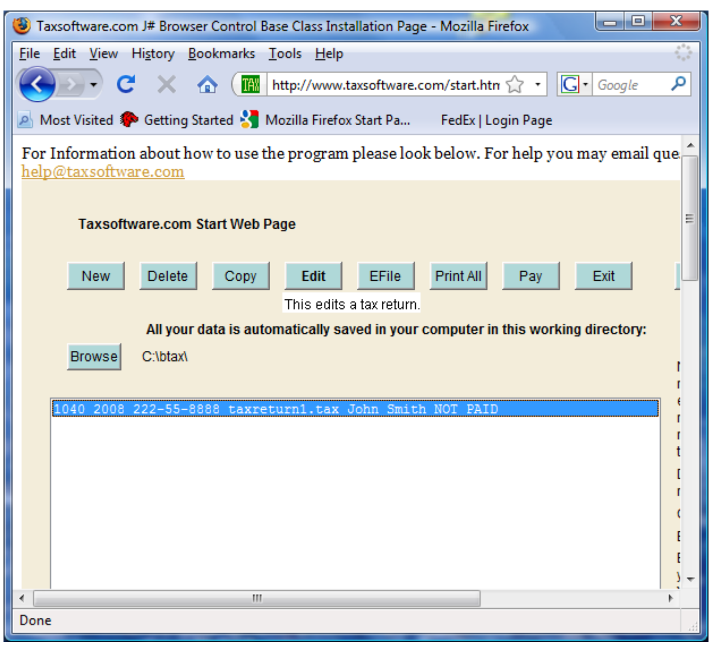
To Edit:

1. From the same computer where you entered your data click on the bar that says "Click here to do your tax return;"

2. Click on ACCEPT;



3. Click on the file inside the gray box, and then click on the EDIT icon at the top.

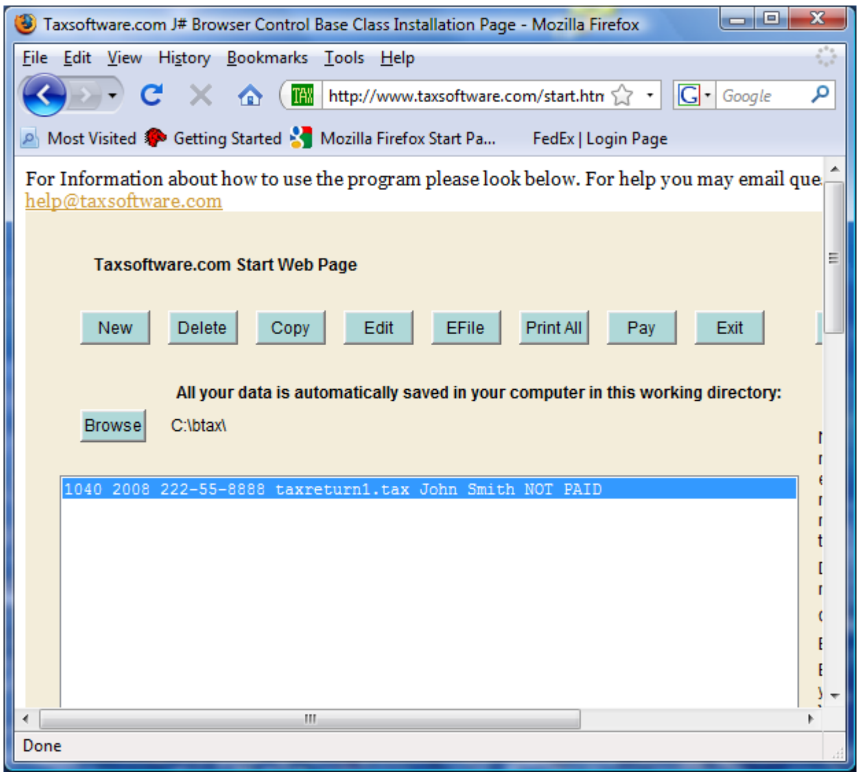


4. You can edit your return as many times as you want, until you are sure it is correct. Make sure you print and check it before you e-file. There is no limit of time for you to have access to you return, but make sure you follow the IRS deadlines.

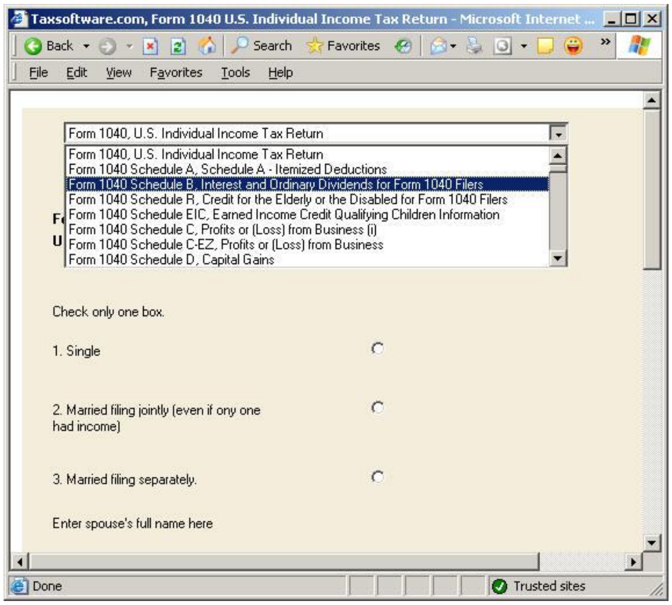
To print:

1. From the same computer where you entered your data go to the page shown above "Taxsoftware.com Start Web Page".

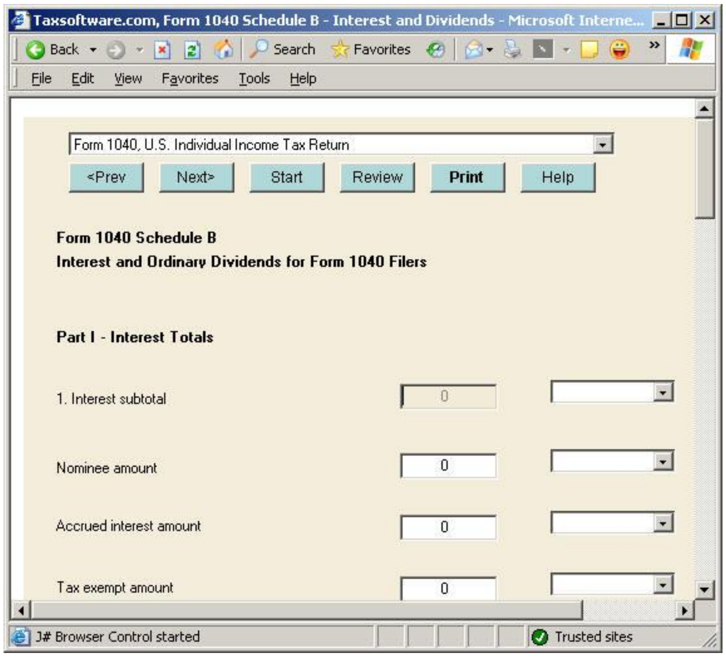
2. Click on the PRINT ALL button to print you entire tax return.



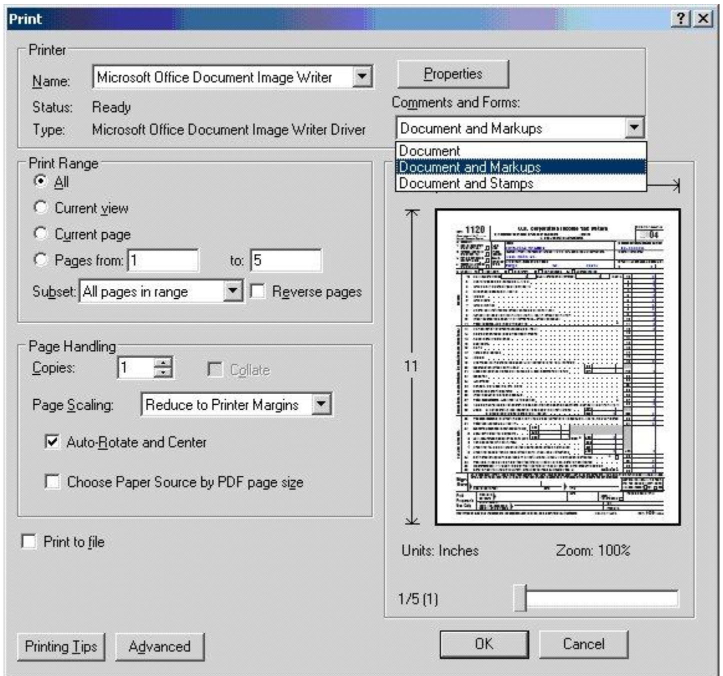
or click on EDIT and select the specific form you want to print from the drop down box at the top of the page



and click on PRINT to print just that form.



3. When you are using ACROBAT, make sure the ANNOTATIONS or COMMENTS box is checked on the print dialog screen. Depending on the version you have, it could say "Print documents and annotations," or similar language. Make sure you are using the latest version of Adobe Acrobat. Earlier versions of Acrobat may not print correctly. If you have a color printer, make sure you have blue color, or set it to print blank only. For more information please see: http://www.taxsoft.com/adobeprinterdialog.html

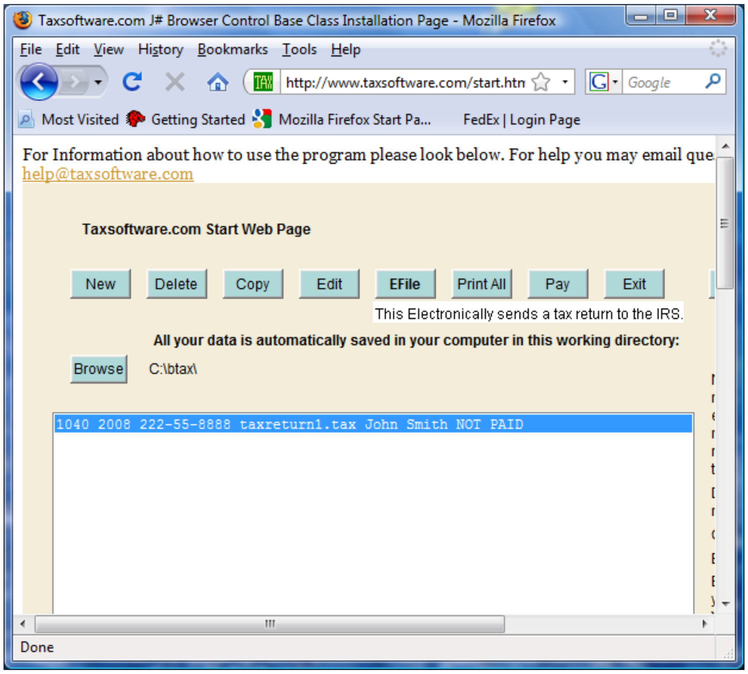


4. You can print your return as many times as you want, until you are sure it is correct. Make sure you print and check it before you e-file. There is no limit of time for you to have access to you return, but make sure you follow the IRS deadlines.

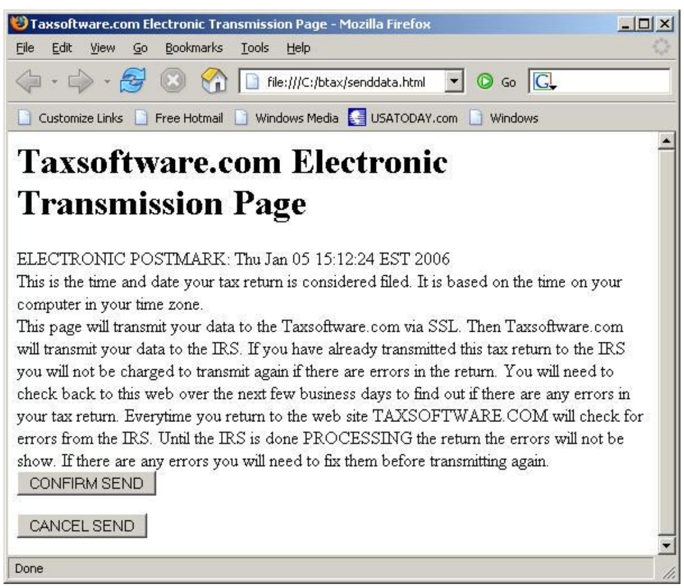
To e-file:

1. From the same computer where you entered your data go to the page shown above "Taxsoftware.com Start Web Page".

2. Click on the file, then press the EFILE button. The return is not e-filed until you press the EFILE button.



3. Then you must press the CONFIRM button. If the CONFIRM button does not show up you can manually launch the web page from Internet Explorer with the Browse button to find the file c:\btax\senddata.html If there is a balance due press the "Click to Pay".

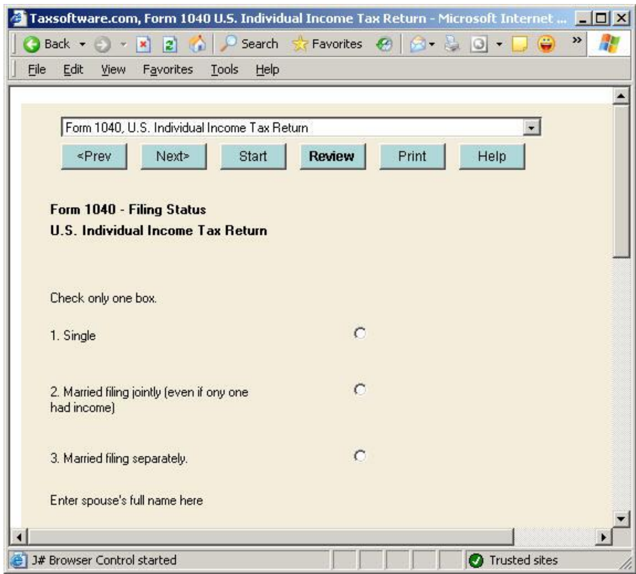


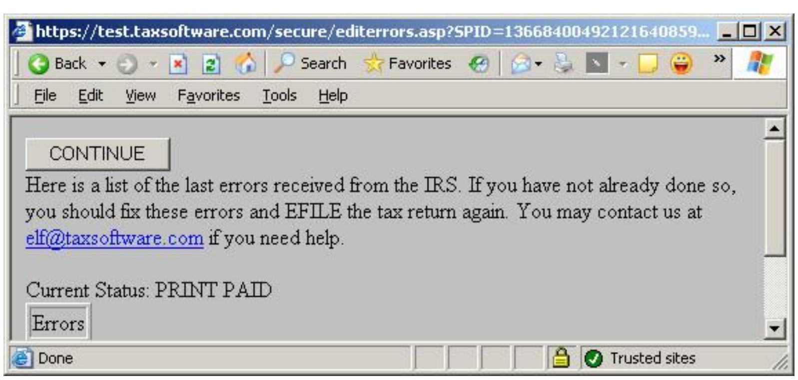
4. You will receive an email within three business days indicating your forms have been ACCEPTED.

5. If you do not receive this email, your forms have NOT been E-Filed. The E-Mail will contain and acknowledgement file #. You will need this number for proof of your E-File if you need to later contact the IRS.

6. If there is any problems with your return or the IRS requires additional information you will receive an email indicating the file was REJECTED.

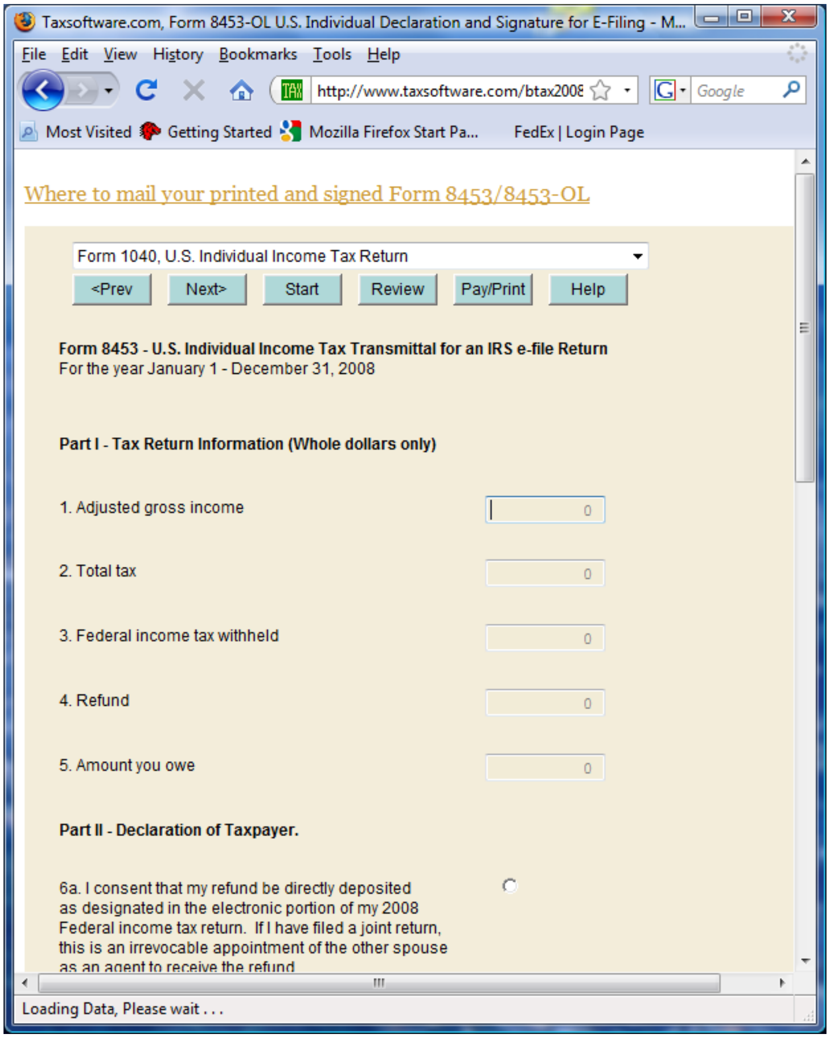
7. Then you need to return to the web site and fix any errors. You can see your IRS errors on the REVIEW screen by pressing the ERRORS button





8. Then you must print and sign, and mail Form 8453 to the IRS.

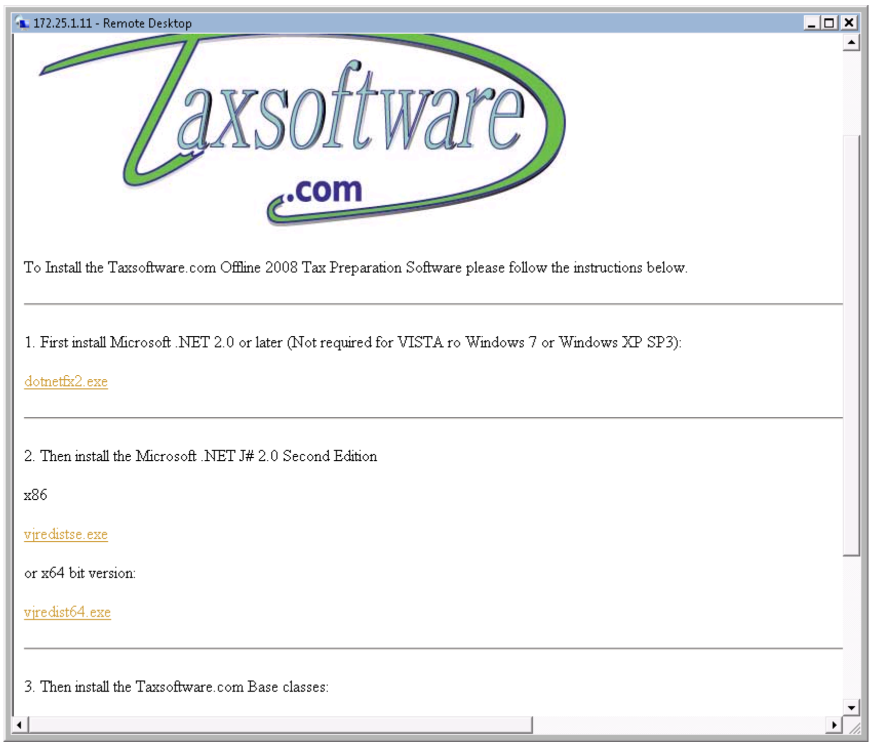
To print Form 8453, please click on NEXT until you reach the Form 8453 page, and then click on PRINT.



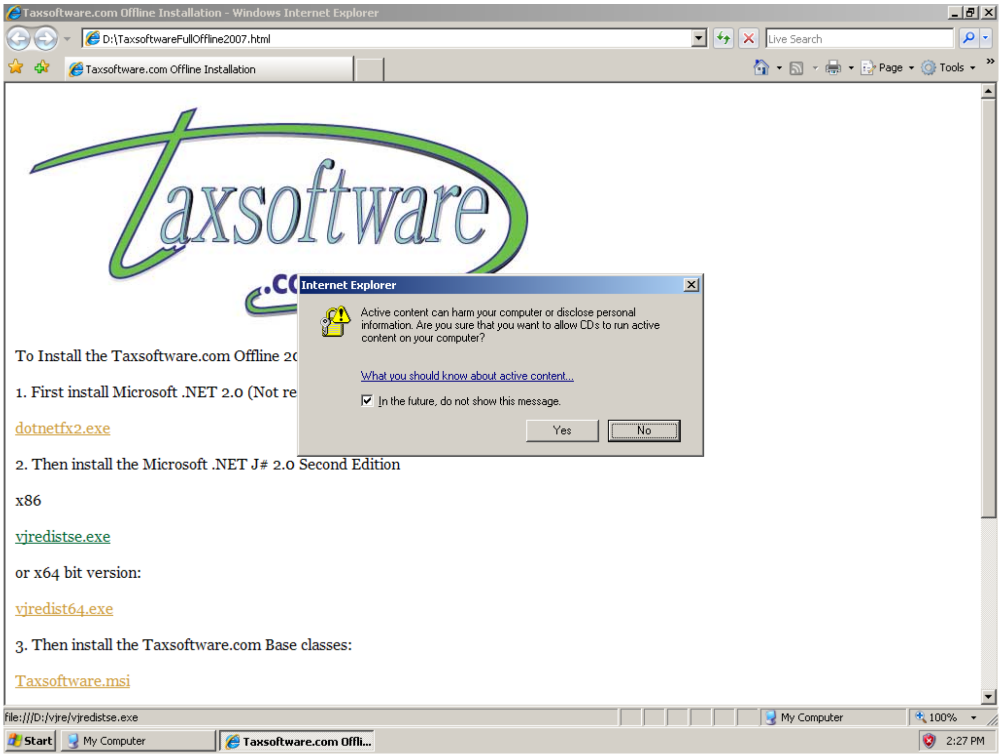
Chapter 7: Full Version of Taxsoftware.com Offline

The Offline version of Taxsoftware.com works the same way as the online version, except for the installations instructions below.

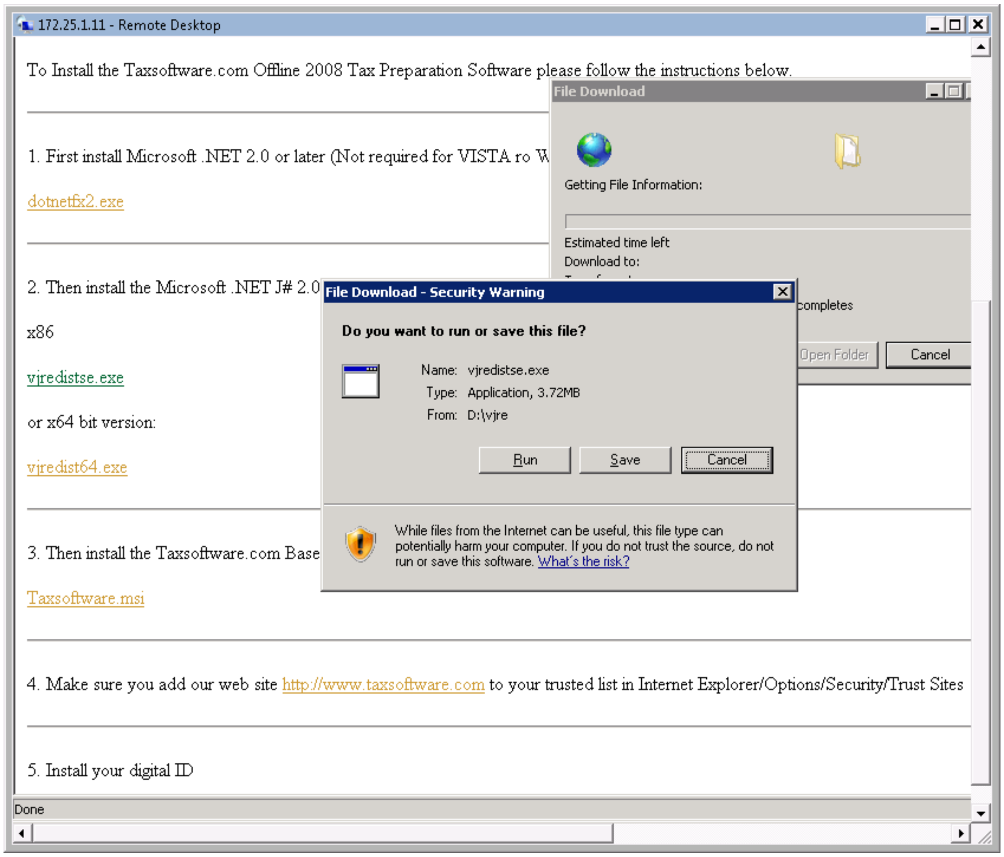
1. Insert disk on computer and Autoplay or open to get the installation web page: TaxsoftwareFullOffline2008.html



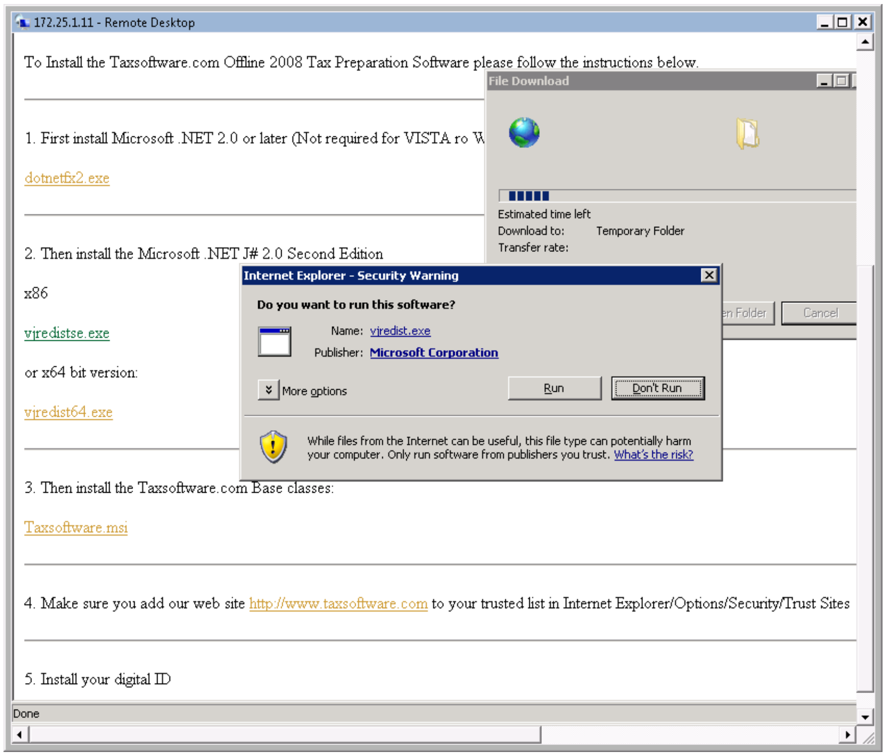
2. Click on dotnetfx2.exe if you need to install the Microsoft .NET Framework 2.0. If you already have the framework installed you can skip this step. Then install the vrjedistse.exe this it the Microsoft .NET Visual J# 2.0 Second Edition. This is required. You will need to answer to the warning questions as you install this Please answer YES.



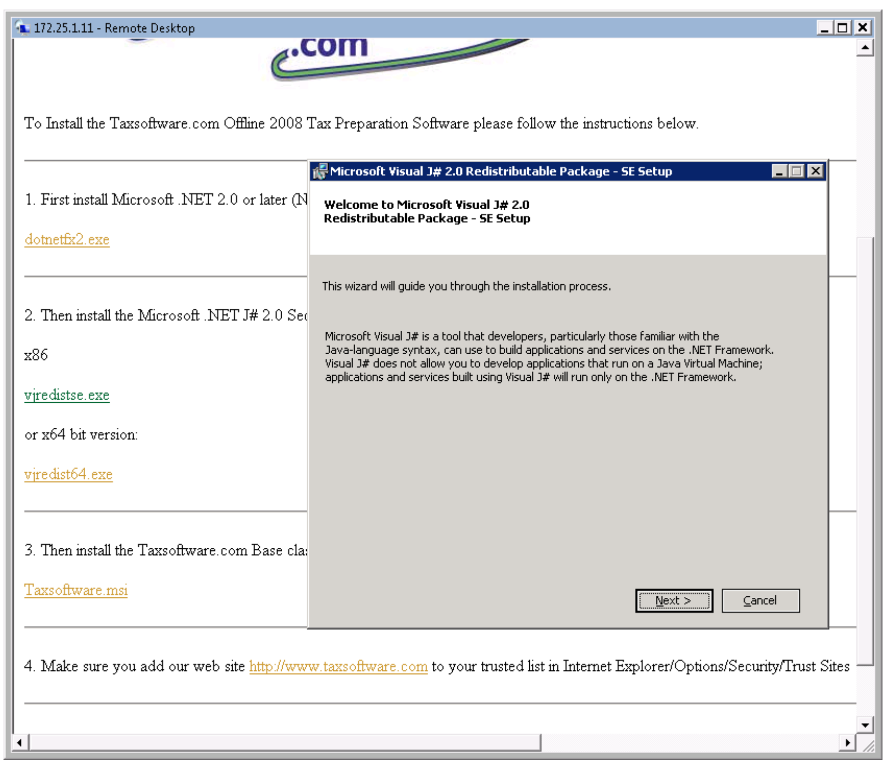
3. Select RUN on this screen.



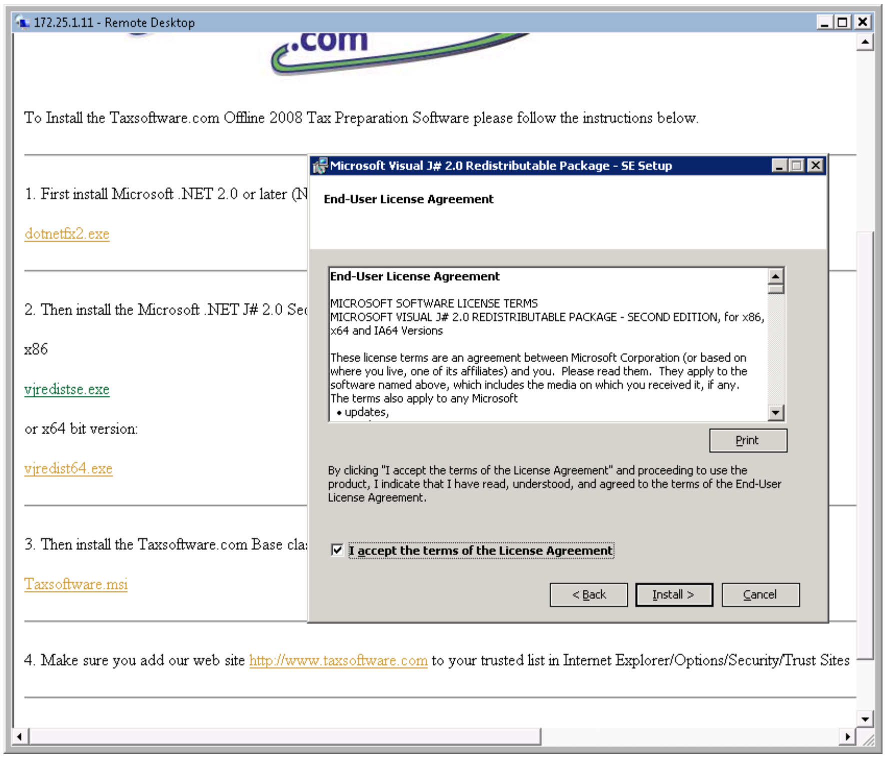
4. Select Run on this screen.



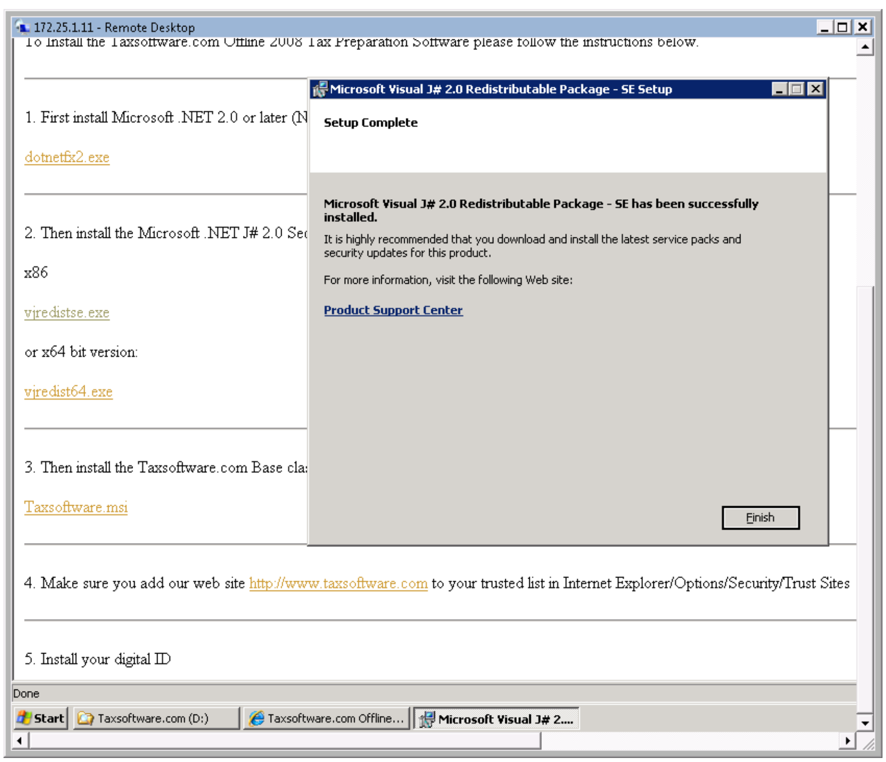
5. Select NEXT on this screen.



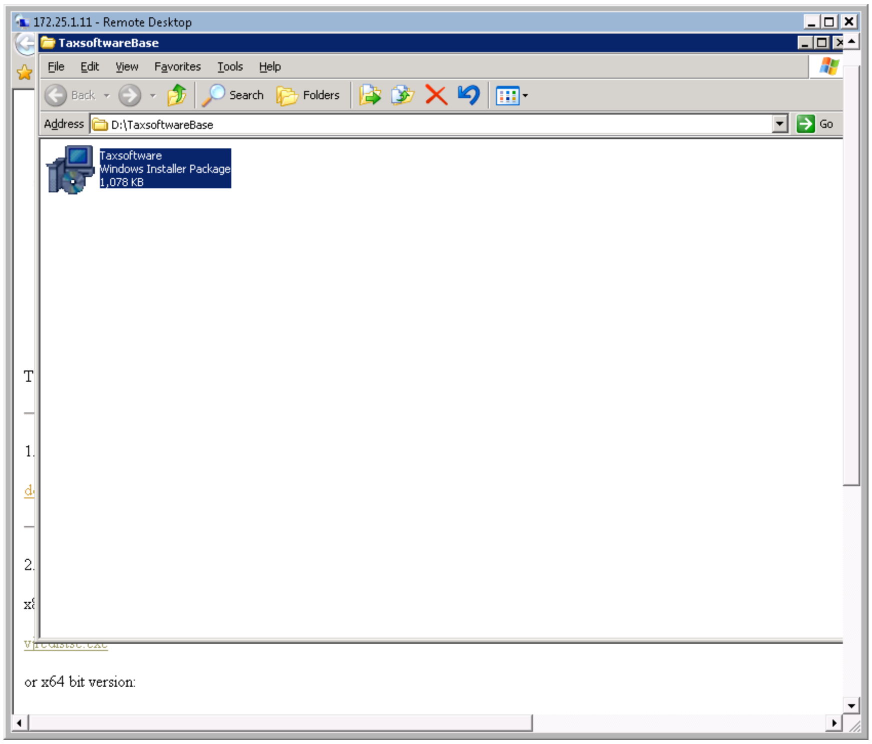
6. Select Install on this screen.



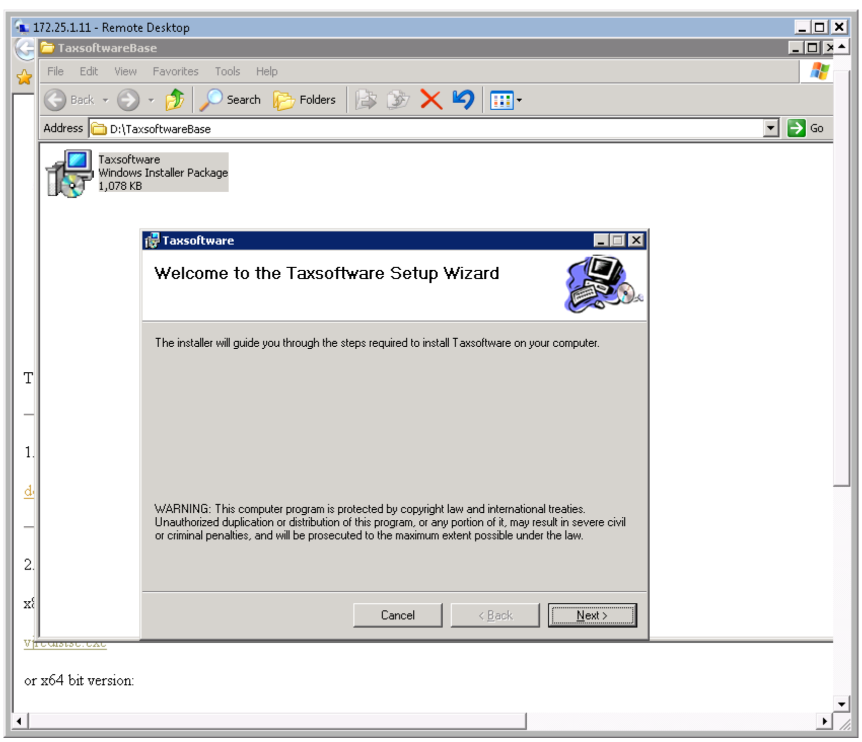
7. Select Finish on this screen.



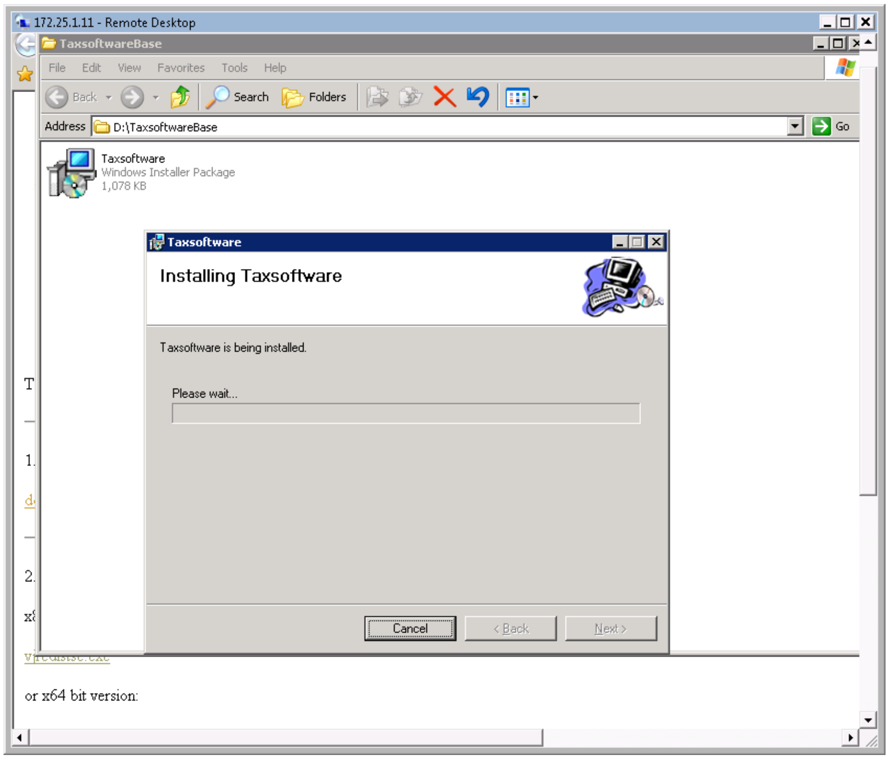
8. Then install the Taxsoftware.msi base classes:



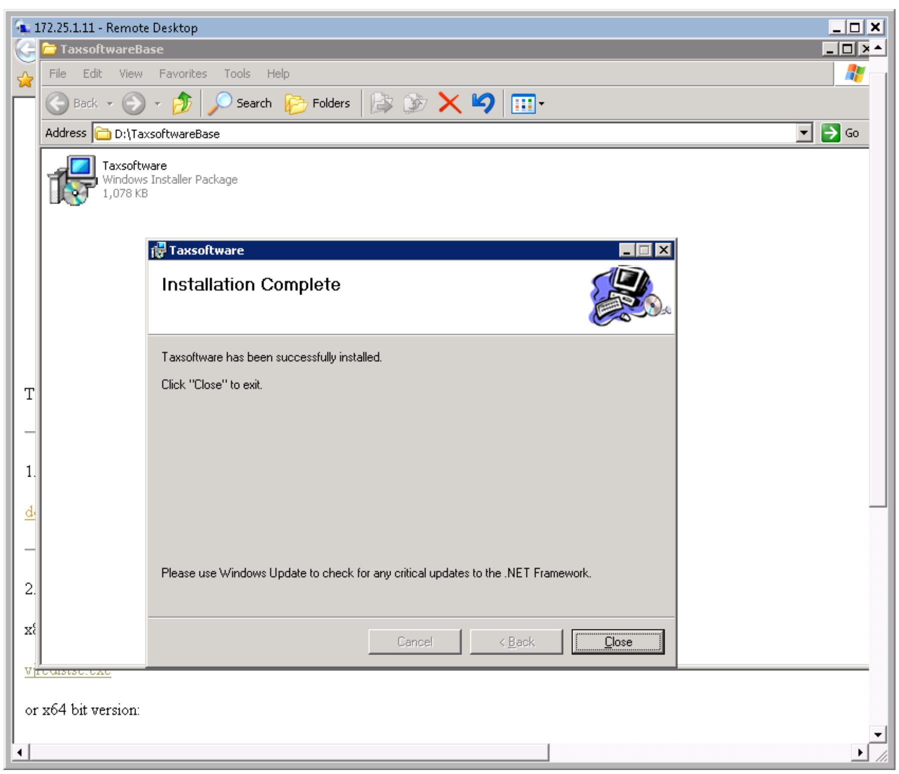
9. Click on NEXT on this page.



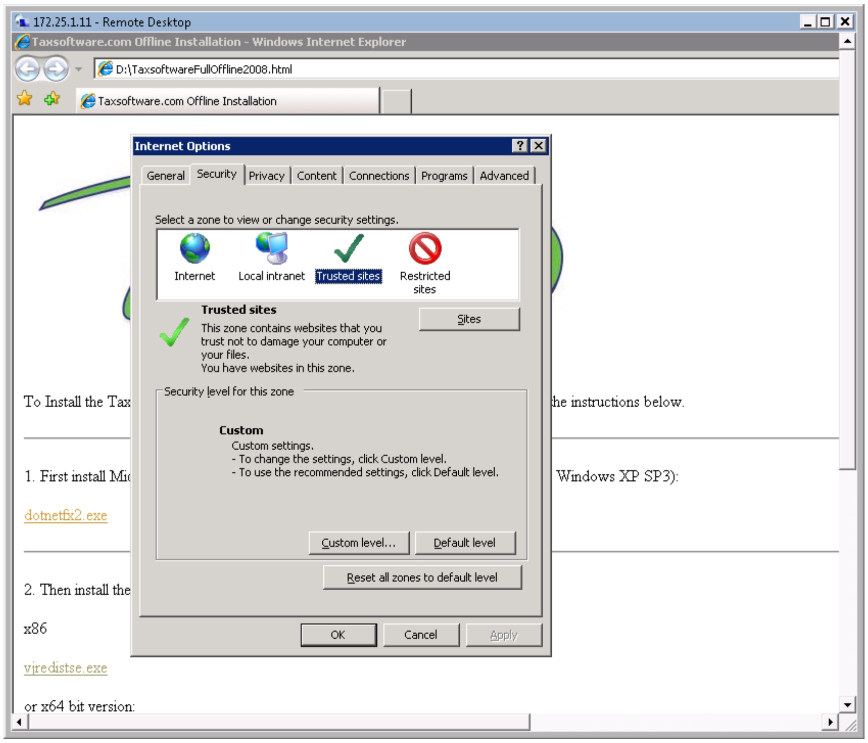
10. This screen will pop up.



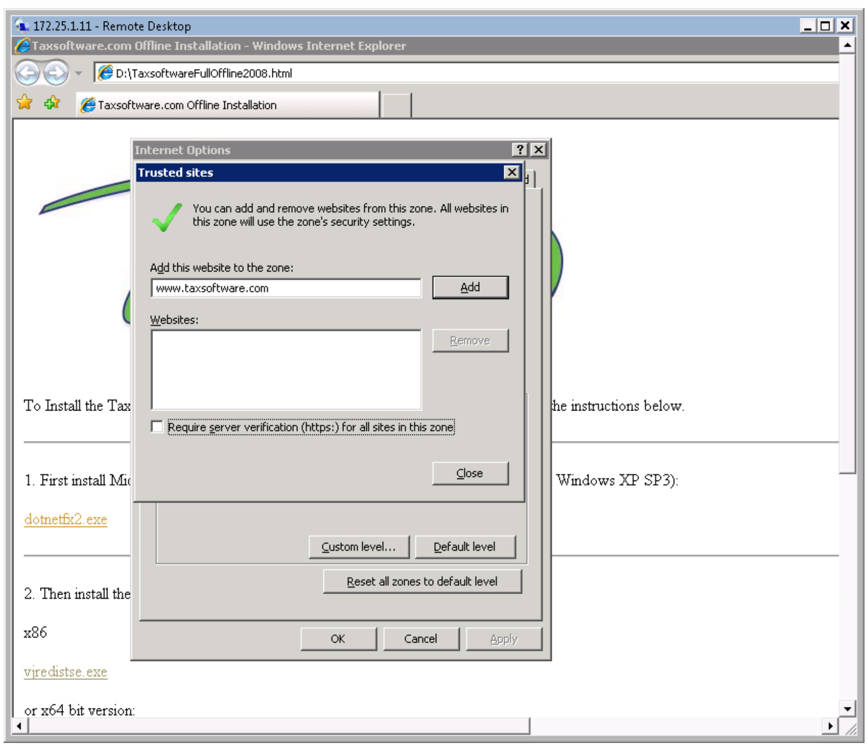
11. When installation is complete this screen will pop up.

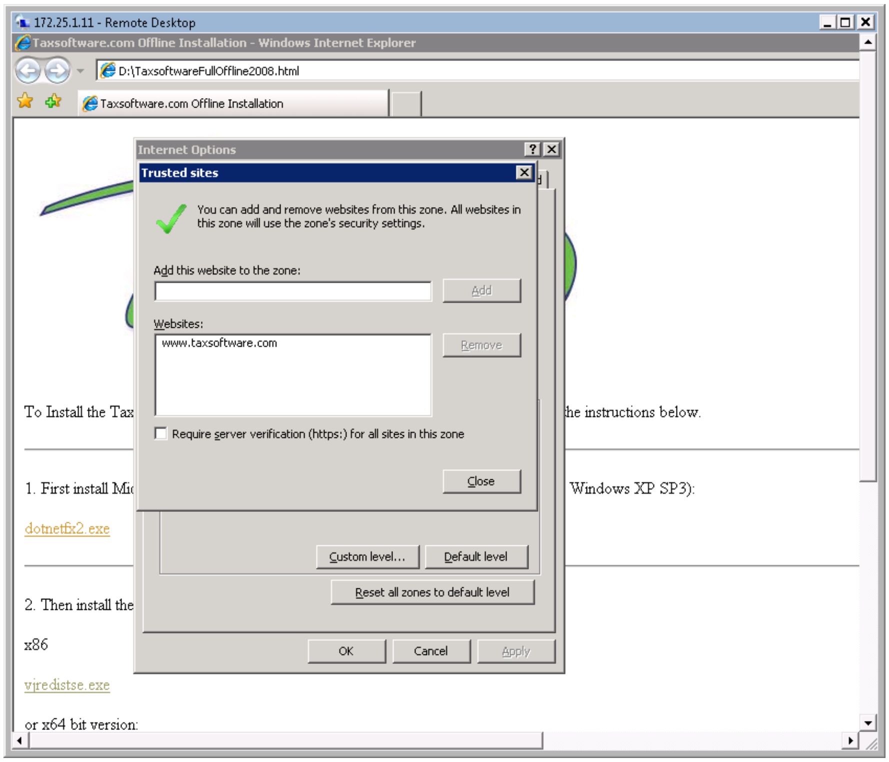


12. Then you need to add the web site http://www.taxsoftware.com to your trusted site list. Select Tools/Internet Options/Security/Trusted Sites. Then click on SITES.

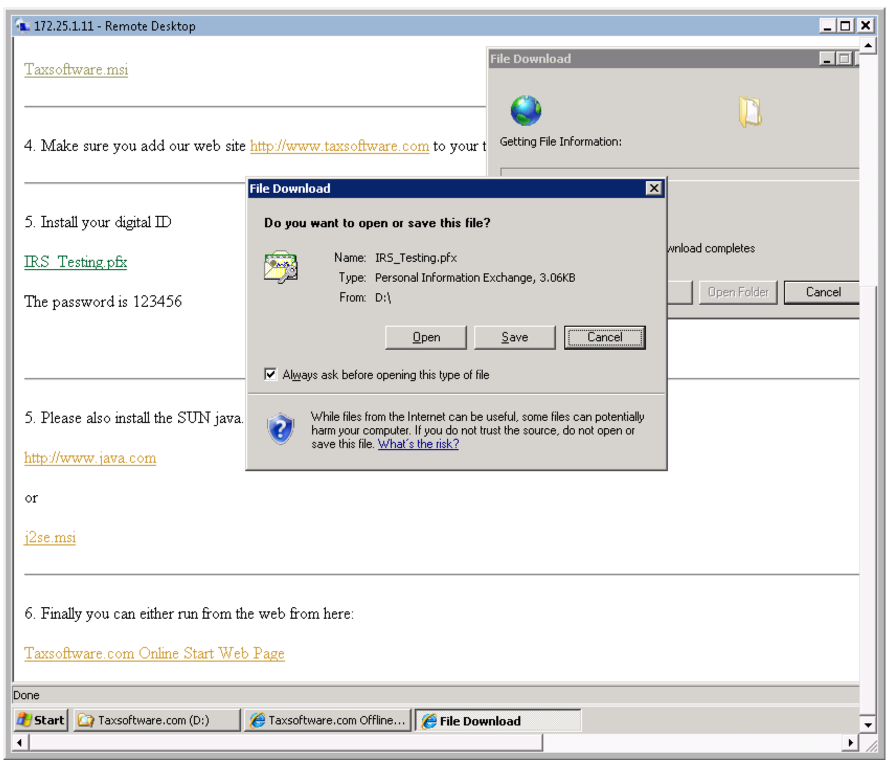


13. Uncheck the box and click on ADD.

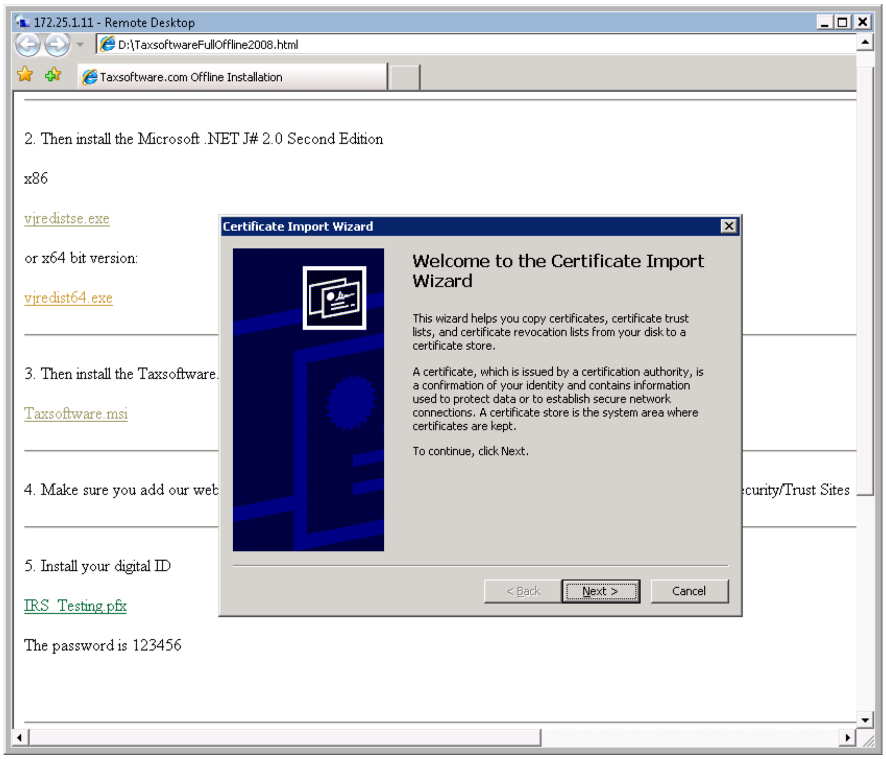


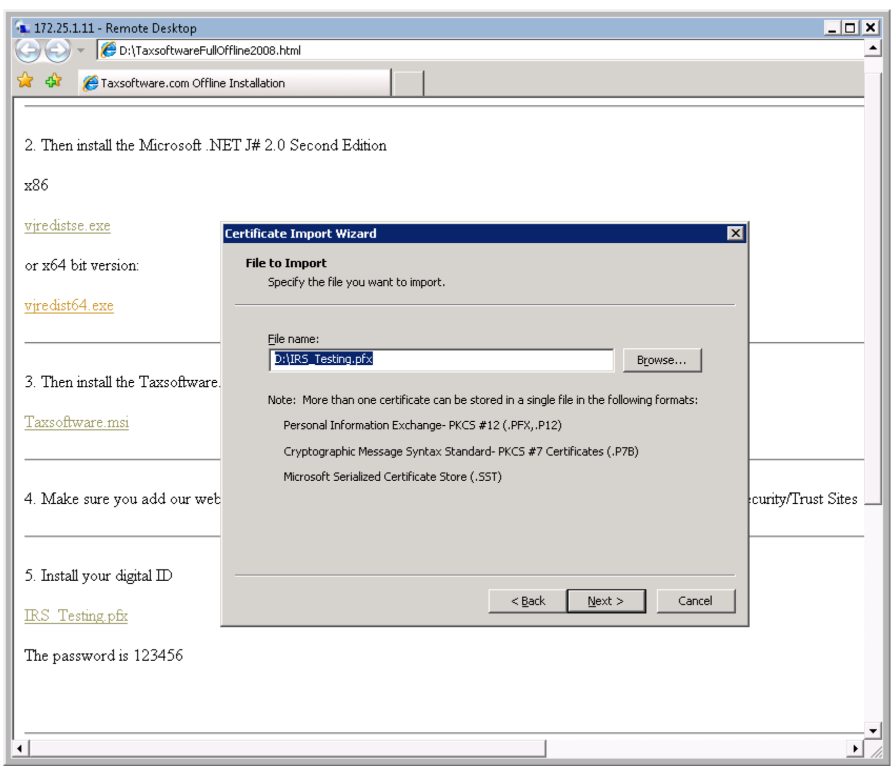


14. Next install the digital ID. You will need one digital ID for each EFIN you will be using. The password is set to the EFIN of 123456. Double click on the digital ID and click on OPEN.

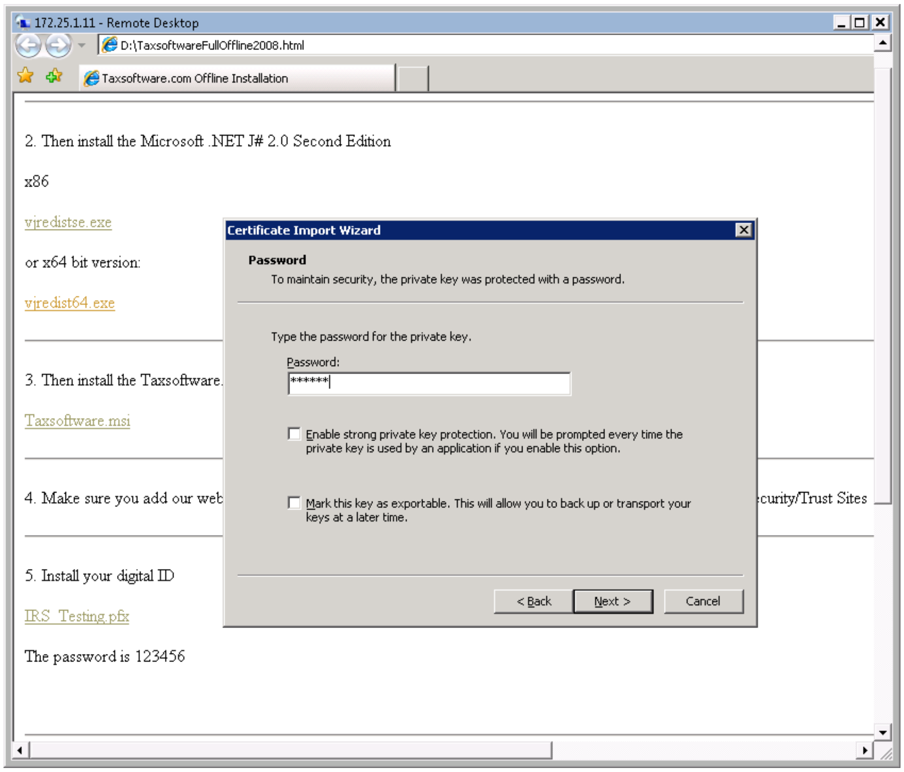


15. Then click on NEXT.

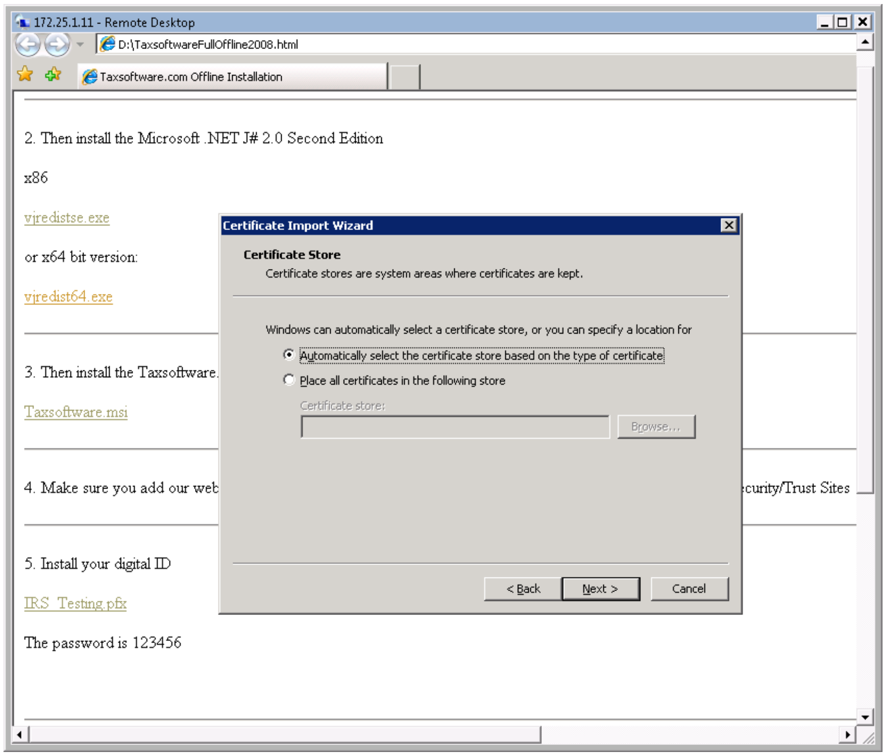


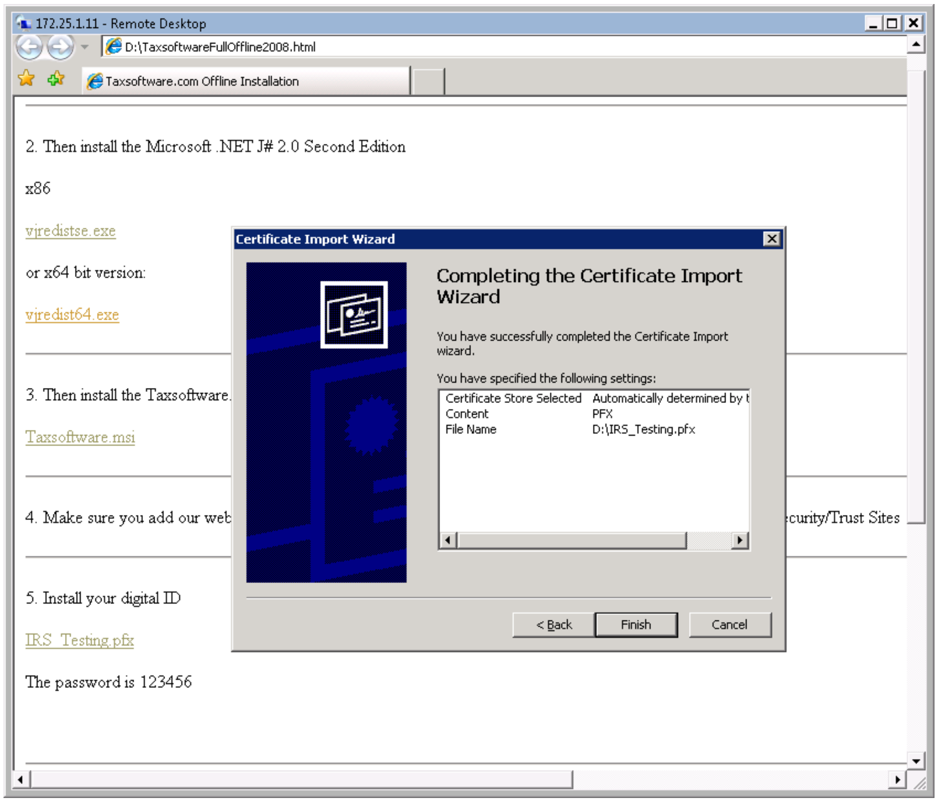


16. Enter the password 123456.

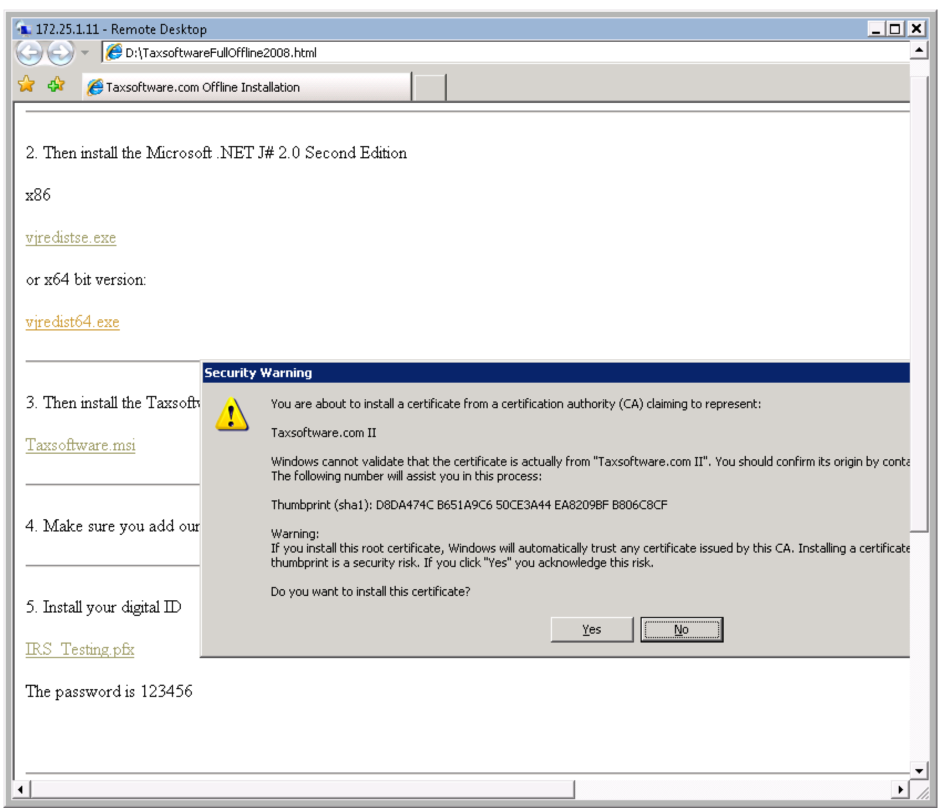


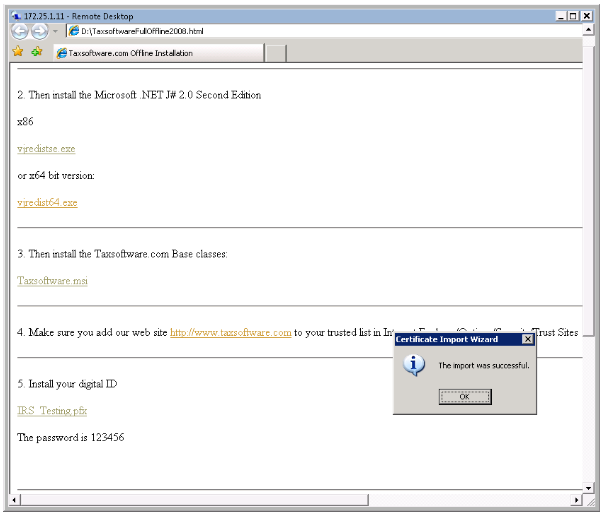
17. Click on FINISH.



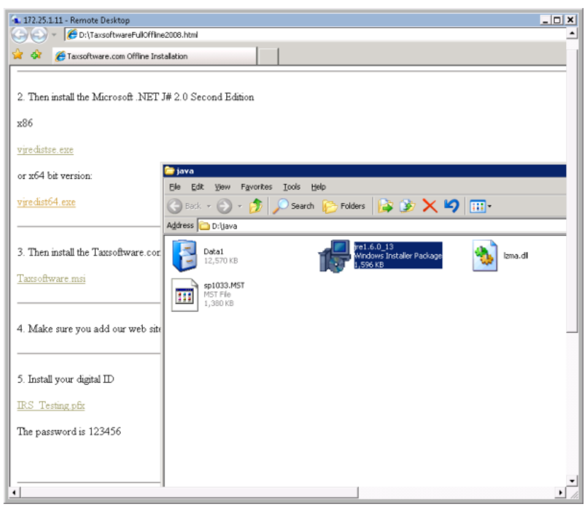


18. Then you need to answer YES that you will be trusting this certificate:

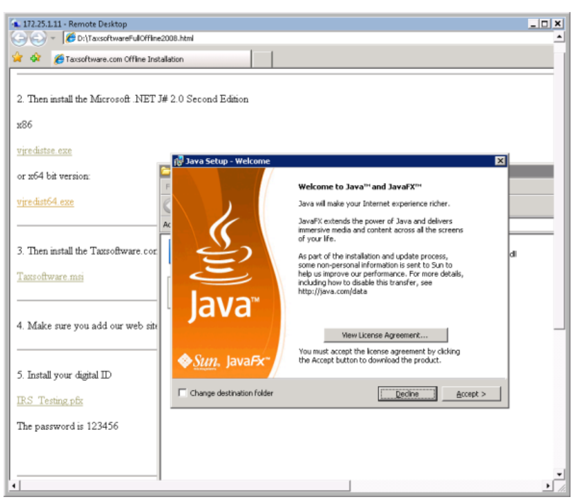


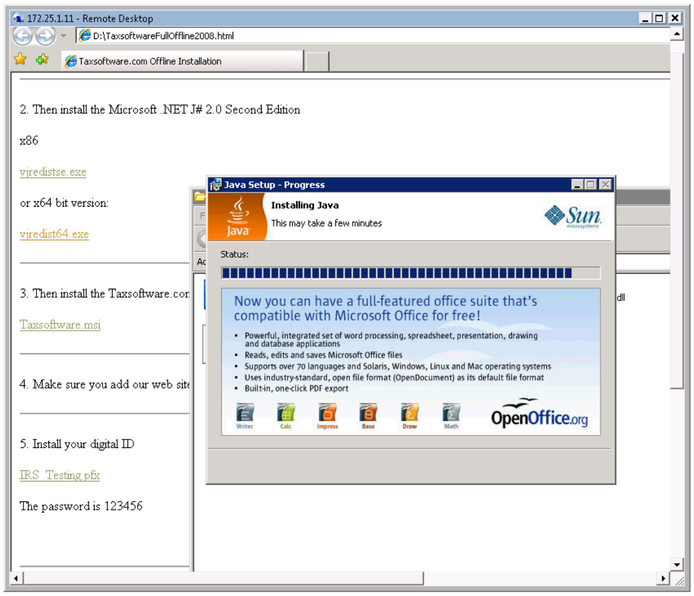


19. Next install SUN Java. If you already have this installed you don't need to do this again. To install from the CD double click on the installation package and click on OPEN or RUN:



20. Then click on ACCEPT.

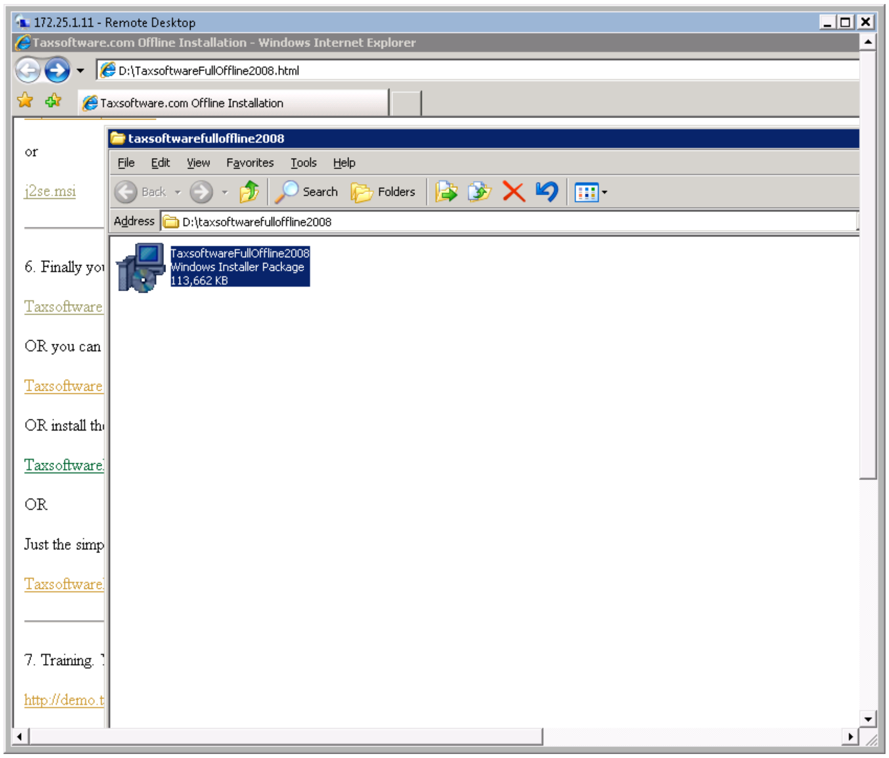




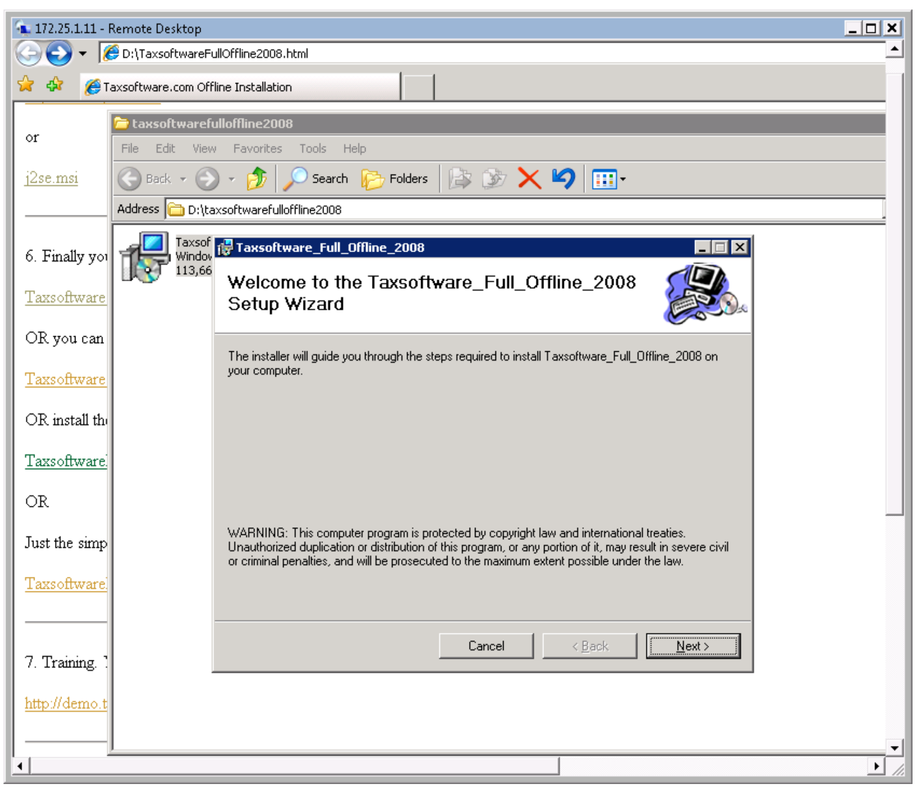
21. Finally click on FINISH:

22. You can run the software four different ways. In all cases the data is saved on your computer in the same encrypted format. You can switch between the different ways at any time.

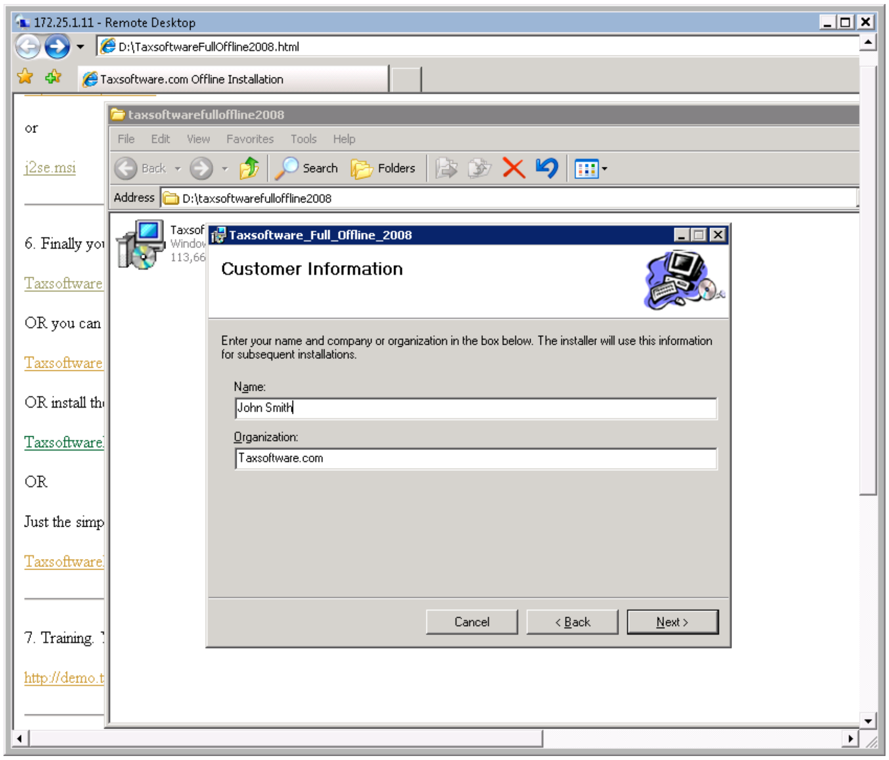
a. Run from the web site at this location: http://www.taxsoftware.com/startj1.html
b. Run from the CD by clicking on the link
c. Install the full offline version onto your computer by double clicking and running the installation package. OR
d. Install just the interview for users that will not have access to the full offline version.



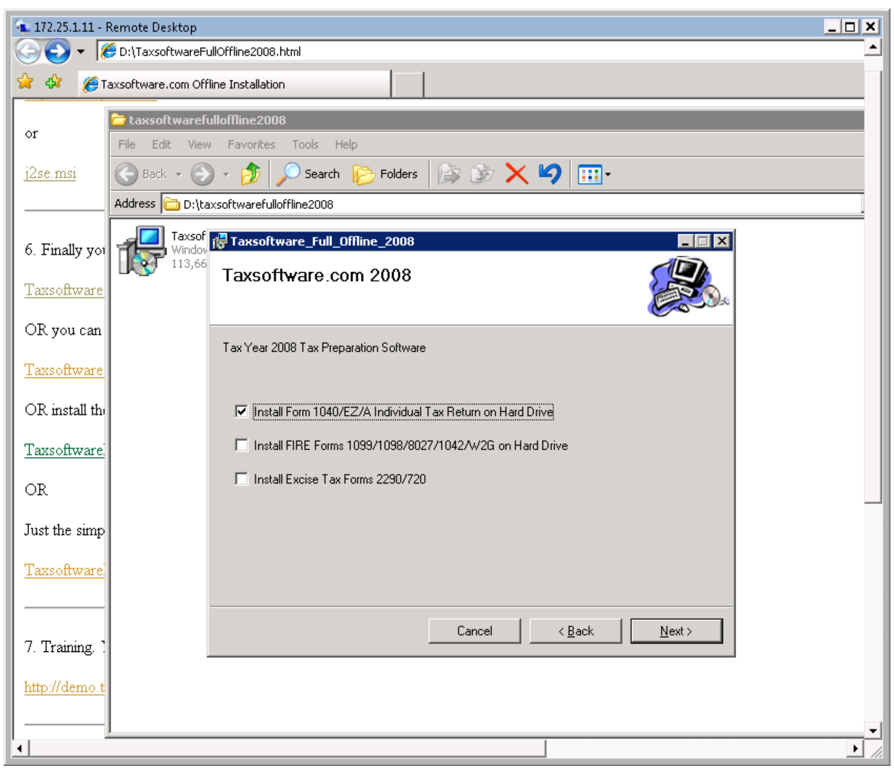
23. Click on NEXT on this screen.



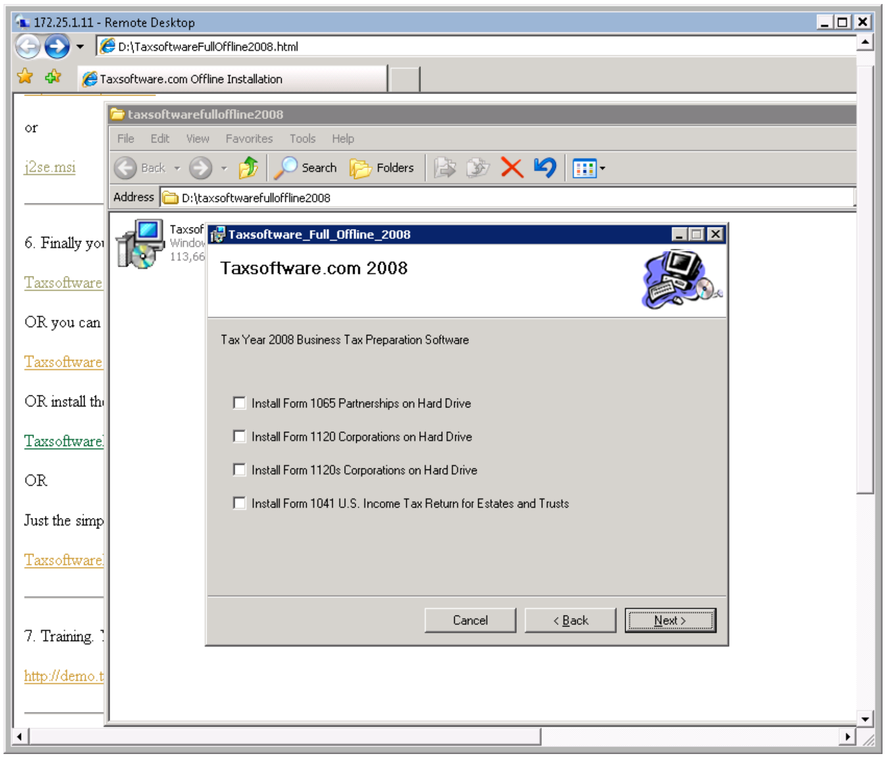
24. Enter your information and click on NEXT.



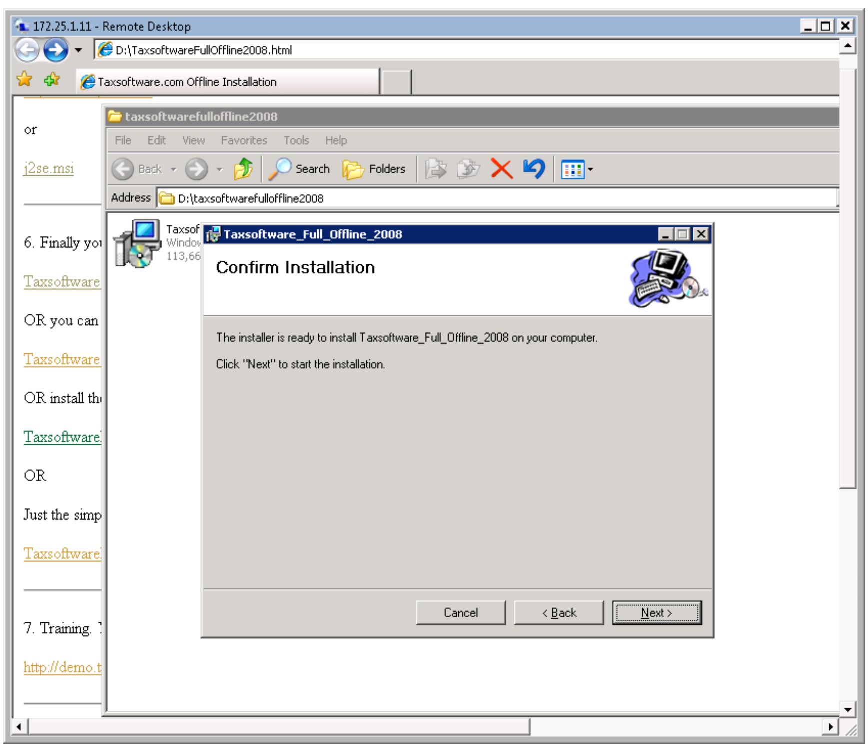
25. Make your selections and click on NEXT.



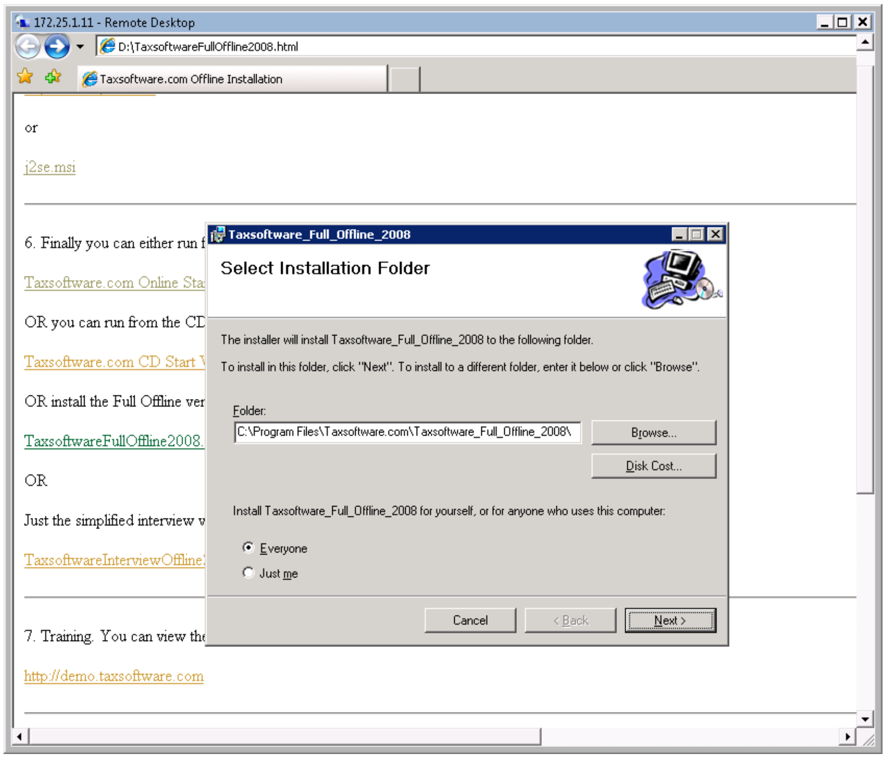
26. Make selections again and click on NEXT.



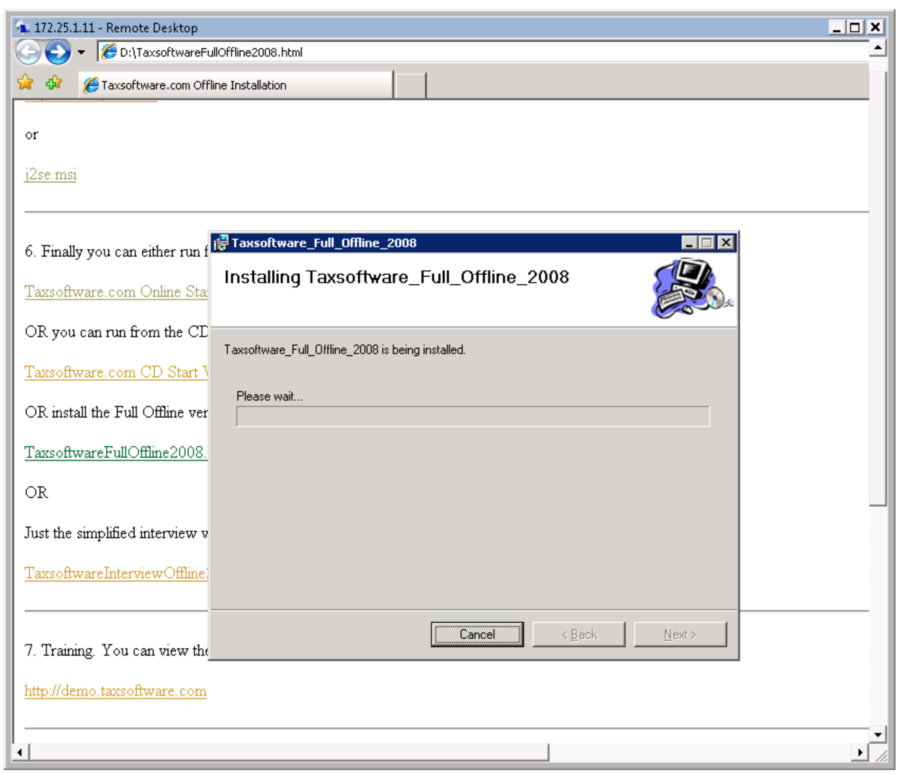
27. Confirm Installation.



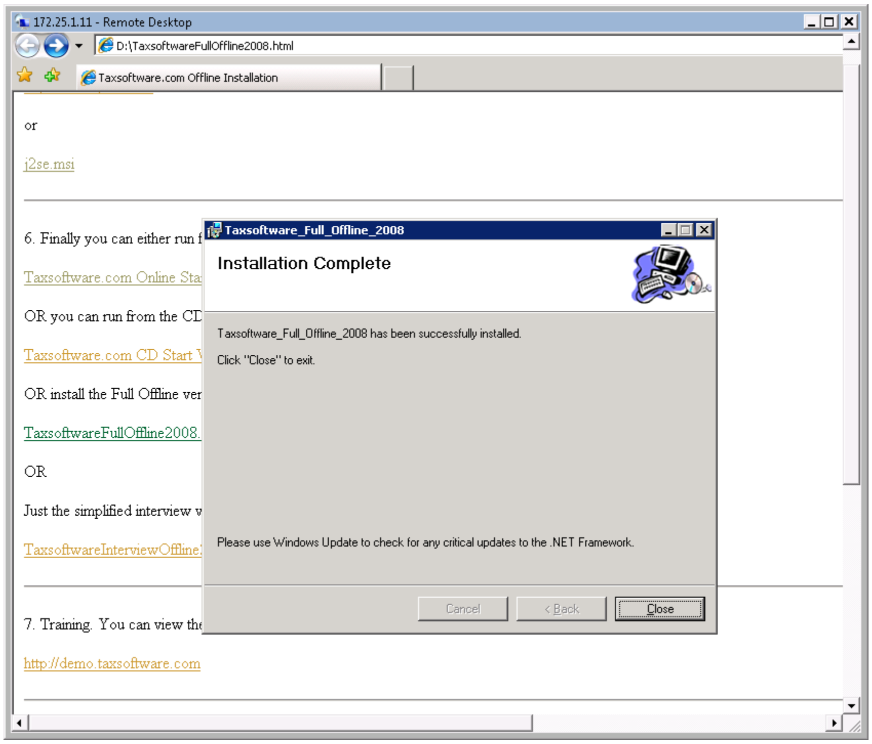
28. Check Everyone and click on NEXT.



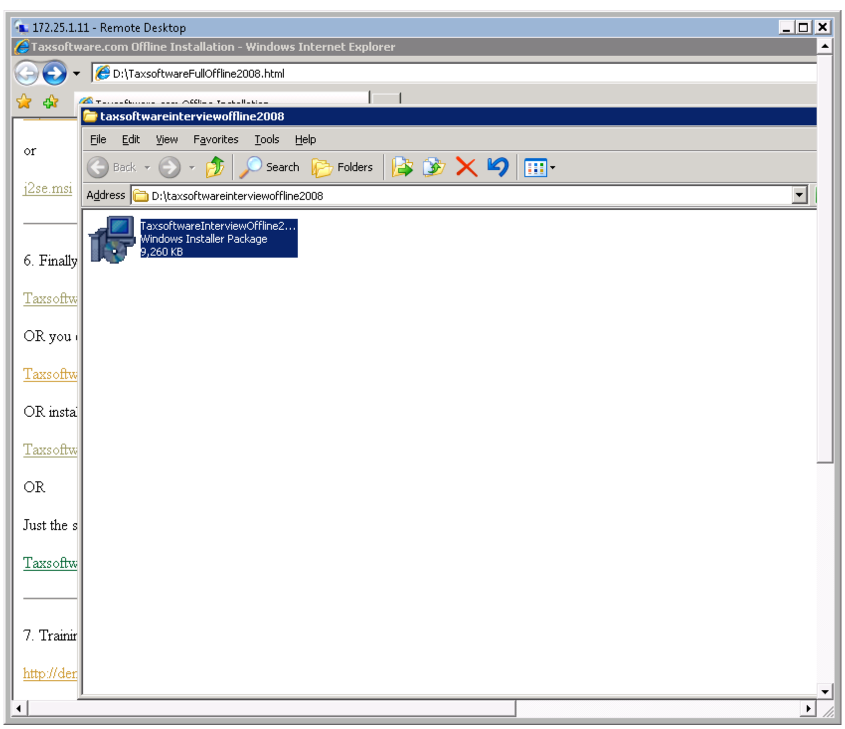
29. Wait for the software to install.



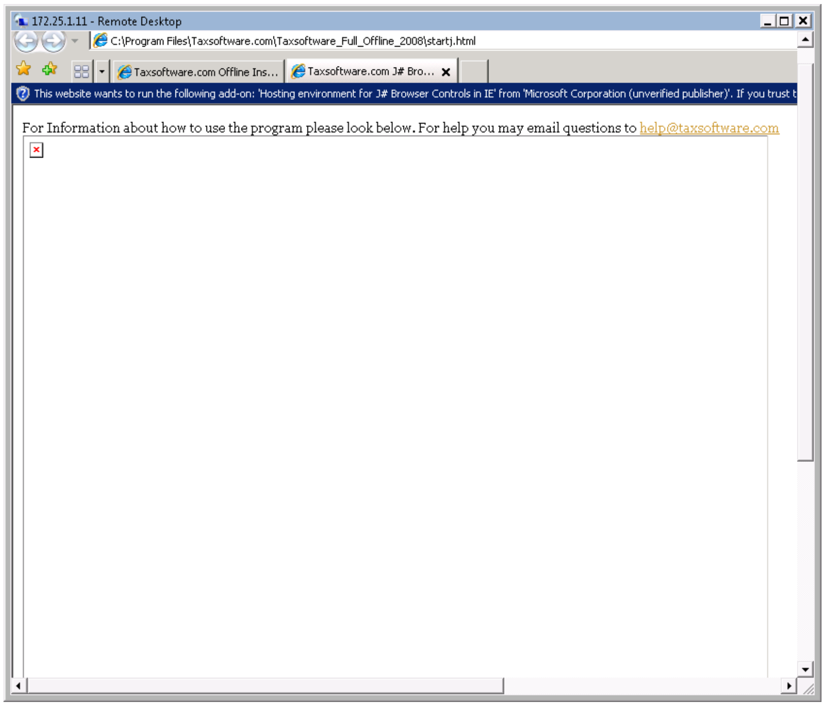
30. Installation will show when complete. You can close the screen.



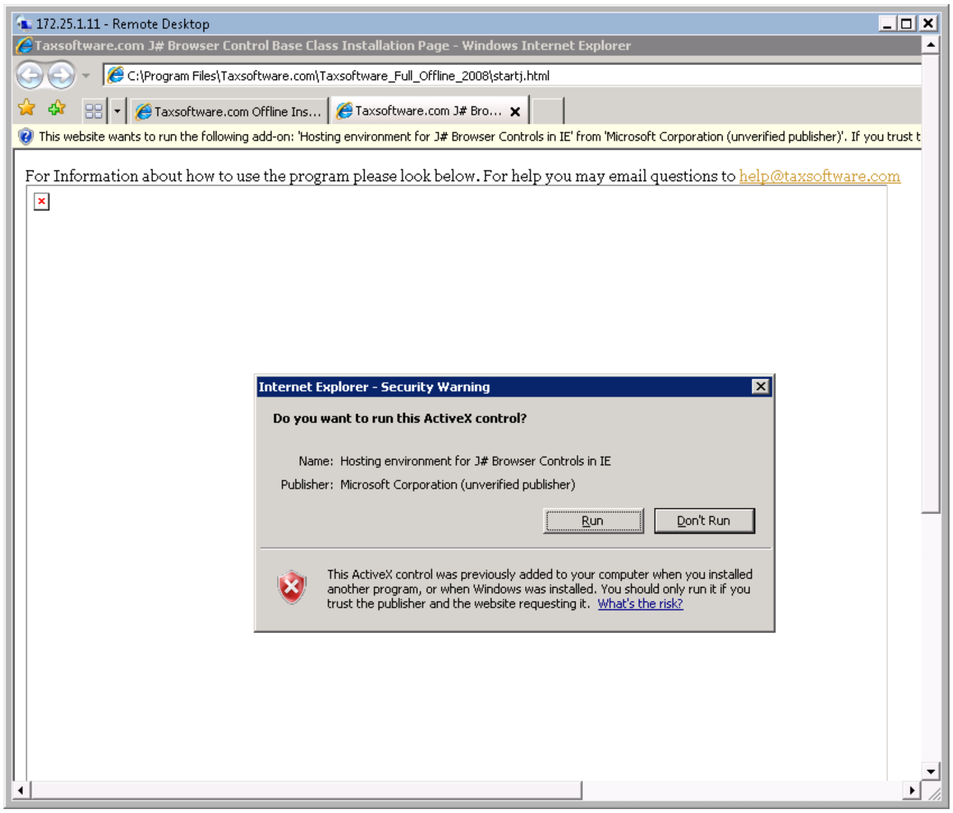
31. To open Taxsoftware.com Offline, just double click on the icon that will be place on your computer's desktop.



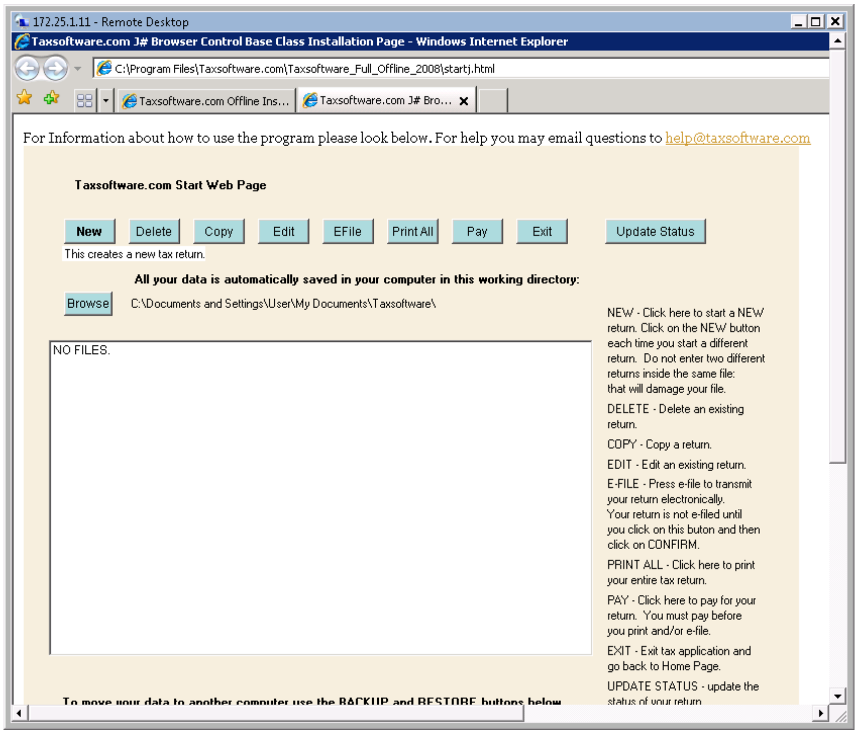
32. Depending on your security settings you may get the follow warning the first time you run the full version. Click on prompt at the top of the web page and select RUN.



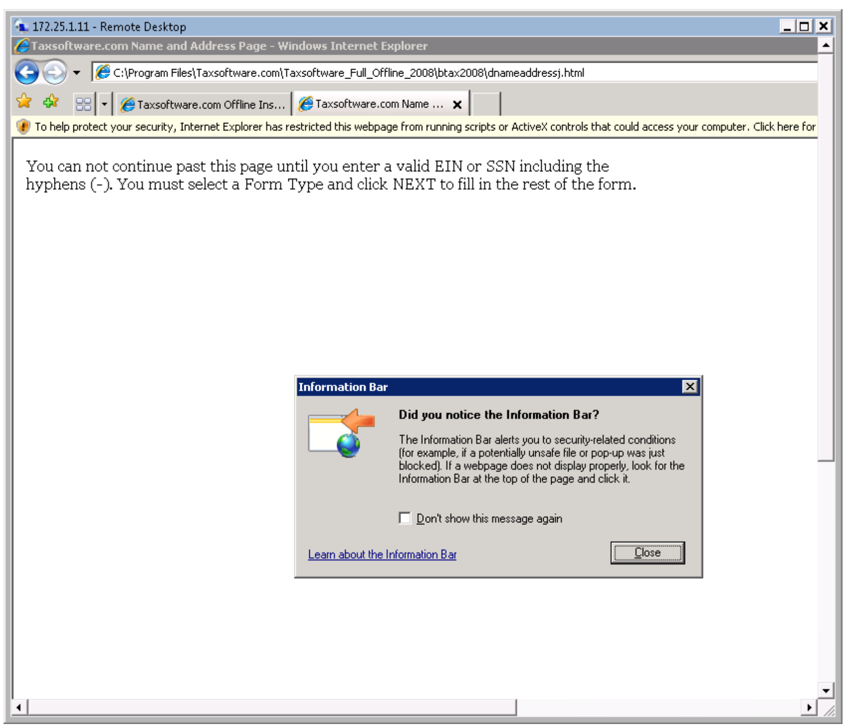
33. Answer Run to the question on the screen.



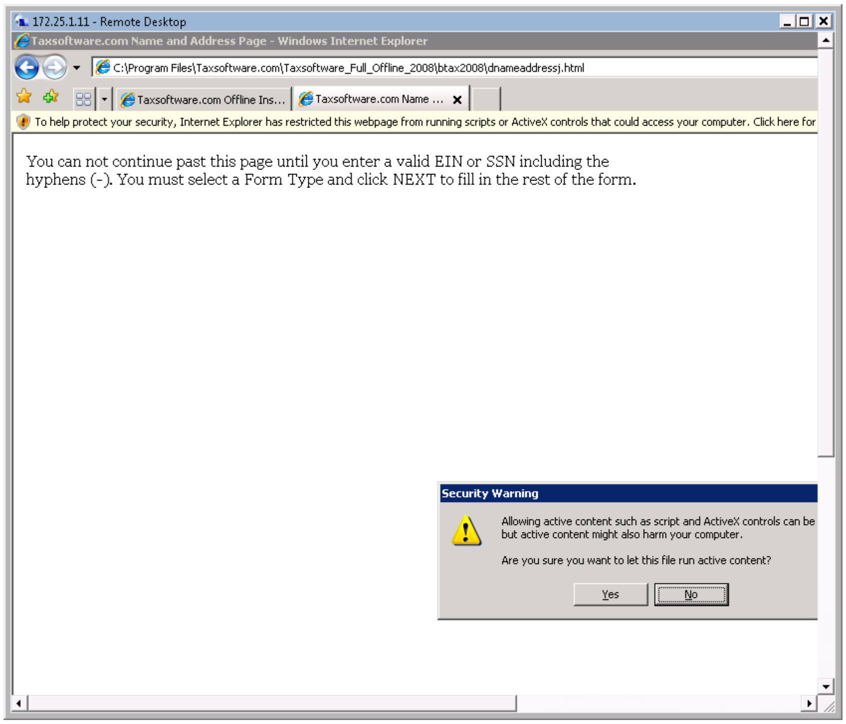
34. You will be ready to get started.



35. Depending on your security settings you may also get this prompt to allow javascript to run on your computer. Click on RUN or ALLOW to allow this:



Then click on YES:



Chapter 8: Technical Specifications

Taxsoftware.com won't tax your computer. If you can access the web site, you can file the returns. Following are the system and browser requirements. Microsoft Java™ yields best performance.

System Requirements

Microsoft Internet Explorer 4 or later

Microsoft Java™ or latest Sun Java™

Or

Netscape 7.0 or later

With Sun Java™ 1.4 or later

To Print:

Adobe Acrobat Reader 5.05 or later

Also—you'll need to add Taxsoftware.com to your list of Trusted Sites to print

Browser Requirements

Microsoft Net J Browser Controls version 1.1 or later

Chapter 9: Who Can E-File?

Individual taxpayers looking to e-file must be filing tax returns with prescribed due dates in the current year. **An individual income tax return cannot be electronically filed after October 15th** following the close of the tax year, even if the taxpayer has been granted an extension to file a return beyond that date. If October 15th falls on a Saturday, Sunday, or legal holiday, the due date is the next succeeding day that is not a Saturday, Sunday, or legal holiday.

State individual income tax returns that are filed as part of federal/state e-file become part of the electronically transmitted data. States often require the submission of paper documents to complete the return, but they are separate from paper documents for federal returns. EROs should process state paper documents according to applicable state rules.

Ineligible Returns

The following individual income tax returns and related return conditions cannot be processed using IRS *e-file*:

Other than current year tax returns;

Tax returns with fiscal year tax periods;

Amended tax returns;

Returns containing forms or schedules that cannot be processed by IRS *e-file*. Publication 1345A, *Filing Season Supplement for Authorized IRS e-file Providers of Individual Income Tax Returns,* published in December of each year, contains a list of accepted forms and schedules for the current tax year;

Tax returns with TINs within the range of 900-00-0000 through 999-99-9999. **Exception:** Adopted Taxpayer Identification Numbers (ATIN) and Individual Taxpayer Identification Numbers (ITIN) may fall within the range above. Valid ATINs contain the digits 93 in the fourth and fifth positions. Valid ITINs contain digits within a range of 70 through 80 in the fourth and fifth digits; and

Tax returns with rare or unusual processing conditions or that exceed the specifications for returns allowable in IRS *e-file*. These conditions change from year to year, and Taxsoftware.com will alert you to these conditions if they arise.

Chapter 10: What Is an ERO?

The IRS does not have the capability to accept millions of returns submitted from millions of different electronic sources. Individuals and professional tax preparers may, however, submit returns to **Taxsoftware.com**, which is **an Authorized IRS *e-file* Provider** and is authorized to transmit returns directly to the IRS.

The IRS considers the person or entity that originates the electronic submission of returns it either prepares for taxpayers or collects from taxpayers who want to e-file to be the ERO—electronic return originator. The ERO may or may not be the individual taxpayer named on the return or the paid preparer of the return. With Taxsoftware.com, the ERO is the person who accesses Taxsoftware.com and completes returns with the Taxsoftware.com program. The ERO submits the returns to Taxsoftware.com, and Taxsoftware.com transmits the returns to the IRS.

An ERO that has merely collected returns for submission to a transmitter will become a tax return preparer if the ERO discovers errors in the return that require substantive changes and then makes the changes. Correction of transposition errors, misplaced entries, spelling errors, or arithmetic errors are not substantive changes and will not change the status of an ERO that makes them. All other changes are considered substantive by the IRS and may require the ERO to sign the tax return as the tax return preparer.

Chapter 11: Deadlines

E-filers must meet the same deadlines and due dates as paper filers. Taxsoftware.com is committed to ensuring prompt processing of all returns received from EROs. This means **we transmit to the IRS every day**. We **do not stockpile** returns received for massive weekly transmissions to the IRS.

Electronic Postmarks

Taxsoftware.com provides e-filers electronic postmarks, so you can rest assured that your return has been **filed quickly and on time**. If the electronic postmark is on or before the prescribed deadline but the return is received

by the IRS after the deadline, the return will be considered on-time as long as all requirements for signing the return and completing a paper declaration—if necessary—are met. Corrected returns must be filed in accordance with rules for timely filing of corrected returns after rejection of an electronic return.

The IRS does not consider a return to be filed until the electronic portion of the return has been acknowledged by the IRS as accepted for processing and a signature for the return has been received, either electronically or on the appropriate version of Form 8453. However, if the electronic portion of a composite return is successfully transmitted on or shortly before the due date and the provider complies with the requirements for signing the return, the return will be considered timely filed. The requirements for signing the return include completing the applicable paper declaration, or Form 8453, in accordance with instructions.

To avoid any delays associated with filing Forms 8453, or paper signatures, Taxsoftware.com encourages the use of the IRS's practitioner PIN e-signature feature. With an e-signature, the tax return is paperless and complete on the first transmission.

Chapter 12: Signing Returns

All tax returns submitted to the IRS—whether on paper or electronically—must be signed.

The IRS says that Form 8453, US Individual Income Tax Declaration for an IRS e-file Return, must be completed and signed before the electronic data portion of the return is submitted. All taxpayer information on Form 8453 must be identical to that on the return, and the form must be signed by both the taxpayer and the ERO. Any paid preparer must also sign Form 8453.

If the electronic data portion of the return has been submitted and accepted by the IRS before the Form 8453 has been filed, EROs must mail the Form 8453 within three business days of acceptance. The IRS states that a composite—electronic and paper—return is not considered filed until the Forms 8453 are received by the IRS. As a result, the IRS may choose to sanction EROs that do not timely file Forms 8453.

Chapter 13: Submitting Returns

As soon as you have completed a return—and collected from the taxpayer if necessary the appropriate signature authorizations and other forms, such as W-2s, W-2Gs, or 1099-Rs—the return is ready for submission. And with

Taxsoftware.com, all it takes is a simple click of the mouse. Taxsoftware.com then transmits the return to the IRS—**right away, every day**. Taxsoftware.com transmits to the IRS on a daily basis; there's **no stockpiling** of returns. Then, as soon as we know the returns have been accepted, or rejected, we e-mail you. There's **no lag time** in the Taxsoftware.com system.

Chapter 14: Payments

Taxpayers who e-file must pay any tax balances due by the original due date of the return. If taxes are not paid on time, taxpayers will be subject to interest and penalty charges. The IRS may grant extensions of time to file, but these extensions will not extend the time to pay a balance due. The payment and the return may be sent at different times, as long as both arrive at the IRS before the due date; that is, you can e-file your return in January and mail your payment voucher in April, as long as the IRS receives both the return and the payment before the due date.

Taxpayers have several options for making payments. One of the easiest for e-filers is to authorize an electronic funds withdrawal. To do this, you must provide the IRS account numbers and routing transit numbers for qualified bank accounts that you intend to use. The IRS tax return instructions describe how to find and identify these numbers using official bank records, account cards, checks, or share drafts. Before forwarding electronic withdrawal authorization to the IRS, you must be certain that your bank will allow such transactions. With an electronic funds withdrawal, you can schedule your payment for a future date before the due date. (For any returns submitted after the due date, any electronic funds withdrawal must be scheduled for the date the return is transmitted.)

Payments can be made by electronic funds withdrawal for the following:

- Current year Form 1040 series return;
- Form 4868, Application for Extension of Time to File…;
- Form 2350, Application for Extension of Time to File … Special Treatment; and
- Form 1040-ES, Estimated Tax for Individuals. Only one estimated tax payment can be made at the time that the Form 1040 is electronically filed.

All information needed for the electronic funds withdrawal request must be included with the return. Taxpayers must provide all of the following:

- Routing transit number (RTN);
- Account number;
- Type of account (checking or savings);
- Date of scheduled electronic funds withdrawal (if applicable); and
- Amount of the withdrawal.

Without all of this information, it will be necessary to make other arrangements to pay the balance due.

Taxpayers may also pay balances due using a credit card by phone or internet. Certain credit cards provide this service, though they may charge a convenience fee based on the amount of the tax payment. The fees will vary with service providers.

Credit card payments can be made for the following:

- Current year Form 1040 series returns, including balance due notices;
- Prior year Form 1040 series returns (applies to past-due payments where no Installment Agreement);
- Form 4868, Application for Extension of Time to File;
- Form 1040-ES, Estimated Tax for Individuals; and
- Installment Agreement payments.

Taxpayers can also pay be check, mailing their payment with Form 1040-V, Payment Voucher. Payment vouchers are found in individual income tax return packages. Again, vouchers may be mailed after the return is e-filed, provided they are mailed before the final due date.

Electronic Federal Tax Payment System (EFTPS)

Taxpayers can pay balances due and estimated taxes year round using the Electronic Federal Tax Payment System (ETPS). You can enroll in EFTPS online via an official government web site. After enrollment, you will receive a confirmation package with instructions. A PIN will be mailed separately for security.

Installment Agreement Requests

Taxpayers who cannot pay the amount they owe for Form 1040 series returns may submit Form 9465, Installment Agreement Request, to the IRS. The IRS will charge a user fee for setting up the installment payments.

Chapter 15: Refunds

Taxpayers expecting refunds have several options. An individual income tax refund may be applied to the next year's estimated tax, received as a direct deposit or paper check, or split so that a portion is applied to the next year and the remainder is received as a refund.

Direct deposit is the fastest way to receive refunds; many taxpayers prefer this method. To designate an account for direct deposit of refund, taxpayers must provide the account numbers and routing numbers for qualified accounts at eligible financial institutions. Qualified accounts include savings, checking, share draft, or consumer asset accounts (credit card accounts do not qualify). Eligible institutions are national banks, state banks, savings and loan associations, mutual savings banks, and credit unions. Certain financial institutions will not allow deposit of joint individual income tax refunds into individual accounts; taxpayers should determine if their designated institution has any restrictions on direct deposits.

Taxpayers cannot rescind their direct deposit designation after the IRS has accepted their tax return. Account and routing numbers must be current each year to avoid any problems with deposits.

Any refunds that cannot be direct deposited because of institutional bank refusal, erroneous account or routing numbers, closed accounts, bank mergers, or any other reason, will be issued as paper checks—resulting in refund delays of up to 10 weeks. The IRS reserves the right to issue a paper check and will not guarantee a specific date by which the refund will be deposited directly.

Refund Offsets

The IRS offsets as much of a refund as is needed to pay off overdue taxes owed by taxpayers and notifies them when this occurs. The Financial Management Service (FMS) offsets taxpayers' refunds to pay off past-due child support or federal agency debts such as student loans. Offsets to non-tax debts occur after the IRS has certified the refunds to FMS for payment but before FMS makes the direct deposits or issues the paper checks. Refund offsets reduce the amount of the expected refund, but do not delay the remainder. Taxpayers may contact any federal agency to determine if any debts have been submitted for refund offset. The IRS will indicate a debt and offset on the acknowledgement file it sends in receipt of an e-filed return. To dispute any offsets, taxpayers should contact the agency identified. If a refund is in a joint name, but only one spouse owes the debt, the other spouse should file Form 8379, Injured Spouse Claim and Allocation.

Refund Delays

Taxpayers can avoid refund delays by having all of their taxes and obligations paid, providing current and correct information to the tax preparer or on the Taxsoftware.com forms, ensuring that all bank account information is up-to-date, ensuring that their Social Security Administration records are current, and carefully checking their tax return information before signing the return.

Refunds can be delayed for a number of reasons, including:

- Errors in direct deposit information (refunds will then be sent by check0;
- Financial institution refusals of direct deposits or delays in crediting the deposit to the account;
- Estimated tax payments differ from amount reported on tax return (for example, fourth quarter payments not yet on filed when return data are transmitted);
- Bankruptcy;
- Inappropriate claims for the Earned Income Tax Credit; or
- Recertifications to claim the Earned Income Tax Credit.

Taxpayers will receive a letter or notice explaining the issue behind the refund delay and how to resolve it. The letter will contain the contact telephone number that the taxpayer can use for further assistance.

Taxpayers can call the Refund Hotline for more information about their refunds: 1-800-829-1954. Taxpayers should wait at least three weeks from the time the return is acknowledged as received before checking the hotline for information.

Chapter 16: Additional Information from the IRS

Taxsoftware.com—and the IRS—urge anyone filing tax returns electronically to stay informed of the latest requirements. Though you can count on Taxsoftware.com to keep the web site software and forms updated continuously, the IRS will occasionally release new information pertinent to tax preparers and taxpayers.

The IRS offers a number of ways to find out what you need to know. The quickest way to find current information about e-filing is to visit the IRS web site at www.irs.gov. Click on the “e-file for Tax Professionals” link, then click on the IRS e-file logo. There is a further link for more information on federal/state e-filing. Information on the IRS Nationwide Tax Forums is also available through the “Tax Professionals” link.

In addition, any correspondence from the IRS will have a contact telephone number. The number will reach the person best able to help you with your question.

Taxpayers will be interested in payment—and refund—information. At the IRS web site e-file logo, click on the "e-file for Tax Professionals" link, then access "Electronic Payment Options." Refund information is available to taxpayers through the refund hotline number 1-800-829-1954, or through the "Where's My Refund?" feature at irs.gov.

Chapter 17: Fraud and Abuse

The IRS requires Taxsoftware.com to be "diligent in recognizing and preventing fraud and abuse" in e-filing. The IRS requires tax preparers and e-file providers to report any suspicious activity to the IRS by calling 1-800-829-0433.

The IRS charges any ERO to be particularly diligent while acting in their capacity as the first contact with taxpayers filing a return. An ERO should always seek to recognize and prevent fraud and abuse of IRS e-file. An ERO should exercise due diligence in the preparation of returns involving the Earned Income Tax Credit (EITC), as it is a popular target for fraud and abuse. EROs must be sure to complete all required worksheets and meet all record-keeping requirements. A potentially abusive return is a return that is not fraudulent, is required to be filed by the taxpayer, but contains inaccurate information that may lead to an understatement of a liability or the overstatement of a credit resulting in a refund to which the taxpayer my not be entitled. Indicators of an abusive or fraudulent return include unsatisfactory answers to filing status questions, multiple returns with the same address, and missing or incomplete Schedules A and C income and expense documentation.

Confirm IDs and TINs

An ERO should confirm identities and taxpayer identification numbers (TINs) of taxpayers, spouses, and dependents listed on returns. TINs include SSNs, EINs, Adopted Taxpayer Identification Numbers (ATINs), and Individual Taxpayer Identification Numbers (ITINs). To confirm identities, an ERO might ask taxpayers not known to them to provide two forms of identification that include the taxpayer's name and current address. EROs can check Social Security cards and other documents to make certain the TINs on returns are correct and correctly transcribed. TINS on W-2s must match TINs on the return.

Name Controls

TINs for taxpayers, spouses, and dependents are identified by a name control. A name control is the first four significant letters of an individual taxpayer's last name as recorded by the Social Security Administration (SSA) or the first four letters/numbers of a business name. Having the wrong name control associated with a taxpayer's TIN contributes to a large portion of TIN-related return rejections. To minimize TIN-related rejects, it is important to verify taxpayer TINs and name control information prior to submitting electronic return data to the IRS.

Non-Standard Information Documents

The IRS has identified questionable Forms W-2 as a key indicator of potentially abusive and fraudulent returns. EROs must be on the lookout for suspicious or altered Forms W-2, W-2G, and 1099-R and forged or fabricated documents. EROs should enter the "non-standard form" code in the electronic record of individual income tax returns for forms that are altered, handwritten, or typed. An alteration includes any pen and ink change. The information must never be altered after the forms are given to the ERO.

Addresses on forms that differ from the taxpayer's current address must be input into the electronic record of the return—even if the addresses are old or if the taxpayer has moved. EROs should inform taxpayers that the address on the first page of the return, once processed by the IRS, will be used to updated the taxpayer's address of record. The IRS uses a taxpayer's address-of-record for various notices that are required to be sent to a taxpayer's "last known address."

In addition, the ERO should be careful never to put the ERO's address in fields reserved for taxpayers' addresses in the electronic return record or on Form 8453. The only exceptions are if the ERO is the taxpayer or the address of a power of attorney for the taxpayer for the tax return is the same as the address of the ERO.

Chapter 18: ERO Responsibilities after Submission

The IRS has assigned the ERO certain duties to uphold after submission of any electronic returns. Most of these responsibilities pertain to the maintenance of records and communications with taxpayers. Because **with Taxsoftware.com** all of your data is stored on your computer and remains on your computer, **compliance with these requirements is simple**.

Following is a more complete discussion of ERO responsibilities taken from IRS Publication 1345.

Record Keeping and Documentation Requirements

EROs must retain and make available to the IRS upon request, until the end of the calendar year in which a return was filed, the following material at the business address from which the return was originated. An ERO may retain the required records at the business address of the Responsible Official during any period of time the office is closed.

- A copy of signed Form 8453, any supporting documents that are not included in the electronic return data and copies of Forms W-2, W-2G, and 1099-R;
- A copy of signed IRS *e-file* consent to disclosure forms for taxpayers who signed using an electronic signature;
- A complete copy of the electronic portion of the return that can be readily and accurately converted into an electronic transmission that the IRS can process; and
- The acknowledgment file for IRS accepted returns.

Forms 8879 and 8878 must be available to the IRS in the same manner described above, for three years from the due date of the return or the IRS received date, whichever is later.

EROs may electronically image and store all paper records they are required to retain for IRS *e-file*. This includes signed Forms 8453 and paper copies of Forms W-2, W-2G, and 1099-R as well as any supporting documents not included in the electronic record and Forms 8879 and 8878. The storage system must satisfy the requirements of Revenue Procedure 97-22, *Retention of Books and Records*. In brief, the electronic storage system must ensure an accurate and complete transfer of the hard copy to the electronic storage media. All records must be able to be reproduced with a high degree of legibility and readability (including the taxpayers' signatures) when displayed on a video terminal and when reproduced in hard copy.

Providing Information to the Taxpayer

The ERO must provide a complete copy of the return to the taxpayer. However, the copy need not contain the social security number of the paid preparer. A complete copy of a taxpayer's return includes Form 8453 and other documents that cannot be electronically transmitted, when applicable, as well as the electronic portion of the return. The electronic portion of the return can be contained on a replica of an official form or on an unofficial form. However, on an unofficial form, data entries must be referenced to the line numbers or descriptions on an official form. If the taxpayer provided a completed paper return for electronic filing and the information on the

electronic portion of the return is identical to the information provided by the taxpayer, a printout of the electronic portion of the return does not have to be provided to the taxpayer. The ERO should advise the taxpayer to retain a complete copy of the return and any supporting material. The ERO should also advise the taxpayer that an amended return, if needed, must be filed as a paper return and mailed to the submission processing center that would handle the taxpayer's paper return. Refer to the current year's tax package for addresses.

Acknowledgments of Transmitted Return Data

The IRS electronically acknowledges the receipt of all transmissions. Returns in each transmission are either accepted or rejected for specific reasons. Accepted returns meet the processing criteria and are considered "filed" as soon as the return is signed electronically or through the receipt by the IRS of a paper signature. Rejected returns fail to meet processing criteria and are considered "not filed." The acknowledgment identifies the source of the problem using a system of error reject codes and form field numbers (sequence numbers). The error reject codes tell why the return rejected and the form field numbers tell which fields of the electronic return data are involved. Publication 1345A, *Filing Season Supplement for Authorized IRS e-file Providers* is issued annually and contains information to help identify the cause of the reject.

The acknowledgement record of an accepted individual income tax return contains other information that is useful to the originator. The record confirms if the IRS accepted a PIN, if the taxpayer's refund will be applied to a debt, if an elected electronic funds withdrawal paid a balance due, and if the IRS approved a request for extension on Form 2688. The ERO should check acknowledgement records regularly to identify returns requiring follow up action. The ERO should take reasonable steps to address issues identified on acknowledgement records. For example, if the IRS does not accept a PIN of an individual income tax return, the ERO must provide a completed and signed Form 8453 for the return.

The ERO must, at the request of the taxpayer, provide the Declaration Control Number (DCN) and the date the electronic individual income tax return data was accepted by the IRS. Form 9325, *Acknowledgment and General Information for Taxpayers Who File Returns Electronically*, may be used for this purpose. The ERO must also, if requested, supply the electronic postmark if the Transmitter provided one for the return.

Rejected electronic individual income tax return data can be corrected and retransmitted without new signatures or authorizations if changes do not differ from the amount in the electronic portion of the electronic return by more than $50 to "Total income" or "AGI," or more than $14 to "Total tax", "Federal income tax withheld", "Refund", or "Amount you owe." Taxpayers must be given copies of the new electronic return data. If new signatures are required, the taxpayer must be given copies of the new signatures.

In the Federal/State e-file Program, if Federal electronic return data rejects due to errors, the state electronic return data also rejects. The converse is also true. That is, if the state electronic return data is rejected by the IRS because of error, the Federal electronic return data also rejects. Once both the Federal and state electronic return data is accepted by the IRS, the subsequent rejection of state electronic return data by a state tax administration agency will not impact the accepted Federal electronic return data. States determine when state electronic return data received from the Federal/State e-file Program is accepted as filed. Contact the state tax administration agency when problems or questions arise.

Resubmission of Rejected Tax Returns

If the IRS rejects the electronic portion of a taxpayer's individual income tax return for processing and the reason for the rejection cannot be rectified, the ERO must take reasonable steps to inform the taxpayer of the rejection within 24 hours. When the ERO advises the taxpayer that the return has not been filed, the ERO must provide the taxpayer with the reject code(s) accompanied by an explanation. If the taxpayer chooses not to have the electronic portion of the return corrected and transmitted to the IRS or if it cannot be accepted for processing by the IRS, the taxpayer must file a paper return. In order to be filed timely, the paper return must be filed by the later of the due date of the return or ten calendar days after the date the IRS gives notification that the electronic portion of the return is rejected or that it cannot be accepted for processing. The paper return should include an explanation of why the return is being filed after the due date.

Chapter 19: Taxsoftware.com Responsibilities

Taxsoftware.com is required by the IRS to perform certain functions and provide certain services as an Authorized IRS *e-services* Provider and Transmitter. Taxsoftware.com has been tested and accepted as a provider by the IRS because it has consistently demonstrated its ability to service both the IRS and the taxpayers and filers. The Taxsoftware.com system integrates seamlessly with IRS *e-services*, making transmission rapid and effective. Following is a discussion, taken from IRS Publication 1345, of the requirements of a provider participating in IRS e-services as a transmitter.

In fulfilling the requirements of a Provider participating in IRS *e-file* as a Transmitter you must:

1. Transmit all electronic portions of returns to the appropriate IRS center within three calendar days of receipt;

2. Retrieve the acknowledgment file within two work days of transmission;

3. Match the acknowledgment file to the original transmission file and send the acknowledgment file containing all conditions on accepted returns, including debt indicator, non-receipt of PIN, etc. to the ERO or Intermediate Service Provider within two work days of retrieving the acknowledgment file;
4. Retain an acknowledgment file received from the IRS until the end of the calendar year in which the electronic return was filed;
5. Immediately contact the IRS at its e-Help toll-free number 1-866-255-0654 for further instructions if an acknowledgment of acceptance for processing has not been received within two work days of transmission or if an acknowledgment for a return that was not transmitted on the designated transmission is received;
6. Promptly correct any transmission error that causes an electronic transmission to be rejected;

7. Contact the IRS at its e-Help toll-free number 1-866-255-0654 for assistance if the electronic portion of the return has been rejected after three transmission attempts;

8. Ensure the security of all transmitted data;
9. Ensure against the unauthorized use of its EFIN or ETIN. A Transmitter must not transfer its EFIN or ETIN by sale, merger, loan, gift, or otherwise to another entity; and
10. Use only software that does not have an IRS assigned production password built into the software.

In addition to requirements of all Transmitters in the IRS *e-file* Program, a Transmitter that participates in Online Filing has some additional responsibilities.

When participating in Online Filing, the Transmitter must:

1. Ensure that it uses an EFIN or ETIN obtained for Online Filing;
2. Ensure that Intermediate Service Provider's EFIN is included in the electronic return data, when applicable;
3. Transmit in separate batches returns filed via Online Filing and returns filed using an ERO;

4. Assign a Declaration Control Number (DCN) to the electronic portion of each return received from a taxpayer;

5. Include the assigned DCN in the transmission of the electronic return data to the IRS;

6. Notify the taxpayer of the status of a return by sending an electronic transmission to the taxpayer or the Intermediate Service Provider, when applicable, within two work days of retrieving the acknowledgment file from the IRS or by mailing a written notification to the taxpayer within one work day of retrieving the acknowledgment file;

7. Ensure that it does not transmit or accept for transmission more than five electronic returns originating from one software package or from one e-mail address;

8. Provide the Internet Protocol (IP) information. The information consists of the IP Address, IP Date, IP Time and IP Time Zone;

9. Enter into agreements with companies to allow access to Online Filing only if companies correctly capture the IP Address of the computer submitting the return and the date, time, time zone of the computer receiving it;

10. Include the letter "O" in the "Transmission Type Code" field of the Trans Record "A."

The Transmitter must notify the taxpayer of the following if the IRS *accepts* the electronic portion of a taxpayer's return:

1. The date the transmission was accepted;
2. The DCN;
3. Where to put the DCN on Form 8453-OL;
4. The requirement to properly complete and timely submit a Form 8453-OL with accompanying paper documents within one business day;
5. The appropriate submission processing center's address to which Form 8453-OL with accompanying paper documents must be sent;
6. That a Form 8453-OL must be received by the IRS, when applicable, before an Online filed return is complete.

The Transmitter must notify the taxpayer of the following if the IRS *rejects* the electronic portion of a taxpayer's return:

1. That the IRS rejected the electronic portion of the taxpayer's return;
2. The date of the rejection;
3. What the reject code(s) means;
4. What steps the taxpayer needs to take to correct the errors that caused the rejection; and

5. That if the taxpayer chooses not to have the electronic portion of the return corrected and transmitted to the IRS, or, if the electronic portion of the return cannot be accepted for processing by the IRS, the taxpayer must file a paper return. In order to be filed timely, the paper return must be filed by the later of the due date of the return or ten calendar days after the date the IRS gives notification that the electronic portion of the return is rejected or that it cannot be accepted for processing. The paper return should include an explanation of why the return is being filed after the due date.

A Transmitter that receives returns from an Intermediate Service Provider for Online Filing must adhere to the same requirements as a Transmitter that transmits ERO returns received from Intermediate Service Providers.

The following list, while not all-inclusive, applies to all Authorized IRS *e-file* Providers of Individual Income Tax Returns, excepting Software Developers that do not engage in any other IRS *e-file* activity other than software development.

A Provider must:

1. Maintain an acceptable cumulative error or reject rate;
2. Adhere to the requirements for ensuring that tax returns are properly signed and when applicable, provide legible and complete paper declarations;
3. Properly use the standard/non-standard Form W-2 indicator;
4. Properly use the Refund Anticipation Loan (RAL) indicator;
5. Include the ERO's EFIN as the return EFIN for returns the ERO submits to an Intermediate Service Provider or Transmitter;
6. Include the Intermediate Service Provider's EFIN in the designated Intermediate Service Provider field in the electronic return record; and
7. Submit an electronic return to the IRS with information that is identical to the information provided to the taxpayer on the copy of the return and when applicable, the paper declaration.

In addition to the above, participants in Online Filing must adhere to the following:

1. Ensure that no more than five electronic returns are filed from one software package or one e-mail address;
2. Supply a taxpayer with an accurate DCN;
3. Provide effective instructions to a taxpayer concerning the entry of the DCN on Form 8453-OL; and
4. Submit any changes to the following information to the IRS Headquarters Online Filing Analyst, SE:W:CAS:SP:IEF:P, 5000 Ellin Road, Lanham, MD 20706, by the 31st day of December preceding the filing season:

- The brand name of the software the Provider will be using, has developed, or will use for transmission. Required information about the software includes its Software Developer, Transmitter, retail cost, and any additional costs for transmitting the electronic portion of the taxpayer's return. Additionally, software changes involving its use to file Federal/State returns, Internet availability (including the Internet address), successful completion of Participants Acceptance Testing (PATS), and the Professional Package name under which the software was tested must be reported;
- The Provider's point of contact for matters relating to Online Filing and the telephone number for the point of contact;
- The applicant's customer service number; and
- The procedures the applicant will use to ensure that no more than five returns are transmitted from one software package or from one e-mail address.

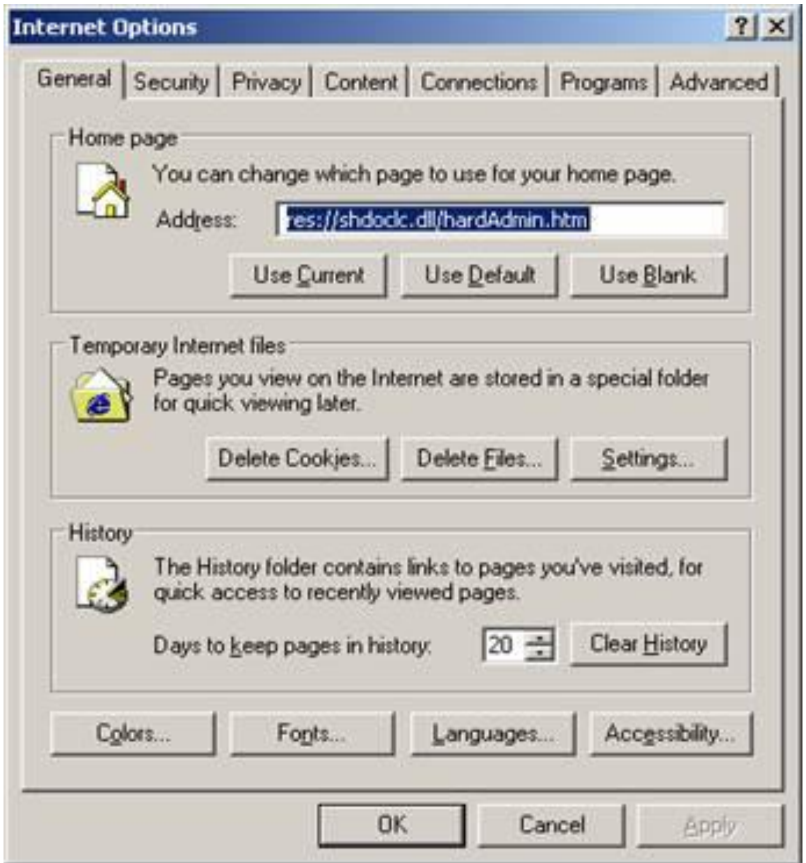
Chapter 20: Transferring Your Digital ID

To change your e-mail address or EFIN you must contact us at help@Taxsoftware.com. We will assist you and issue you a new digital ID.

You can install your digital ID on as many computers as you want. The instructions below will show you how to transfer your digital ID to another computer.

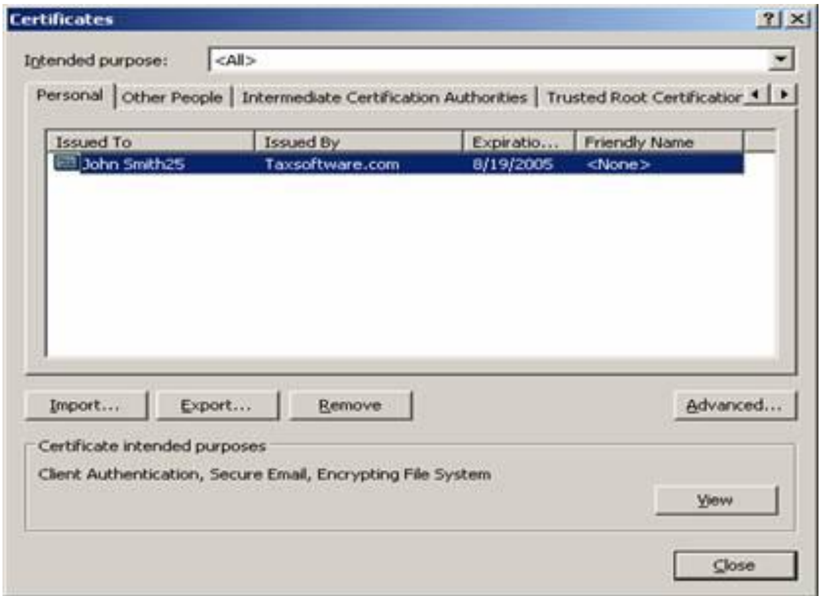
7. To move your digital ID to another computer you need to export the certificate to a file, then copy the file to another computer and import the certificate to the other computer.

From your Internet Explorer web browser menu, select Tools/Internet Options, as shown below.



8. Select the "Content" tab, then click on "Certificates."

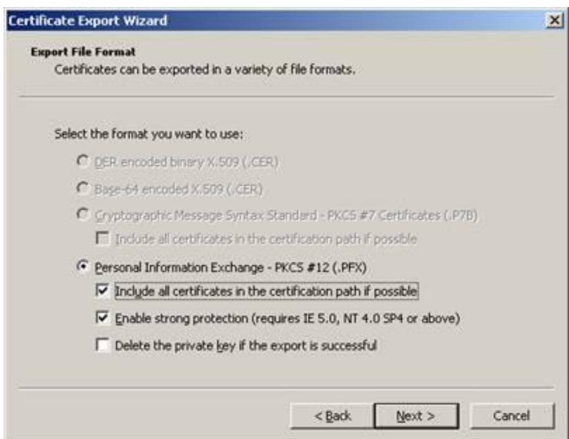
9. You will see your Taxsoftware.com certificate listed in a box. Click on that certificate, then click on "Export" to export your certificate.



10. You will see "Welcome to the Certificate Export Wizard." Click on "next" to continue.

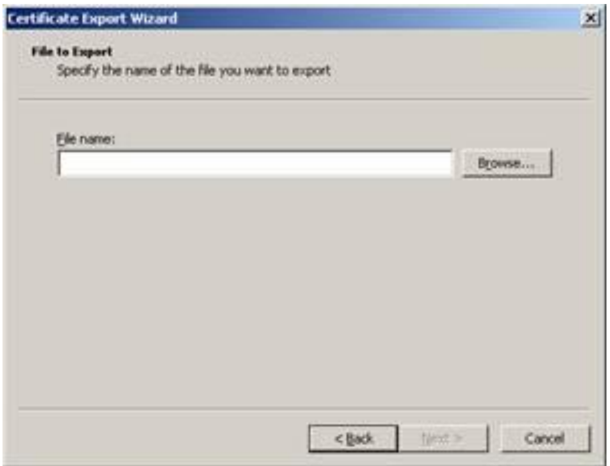
11. Select "Yes, export the private key," and click on "Next."

12. Select "Include all certificates," and click on "Next."



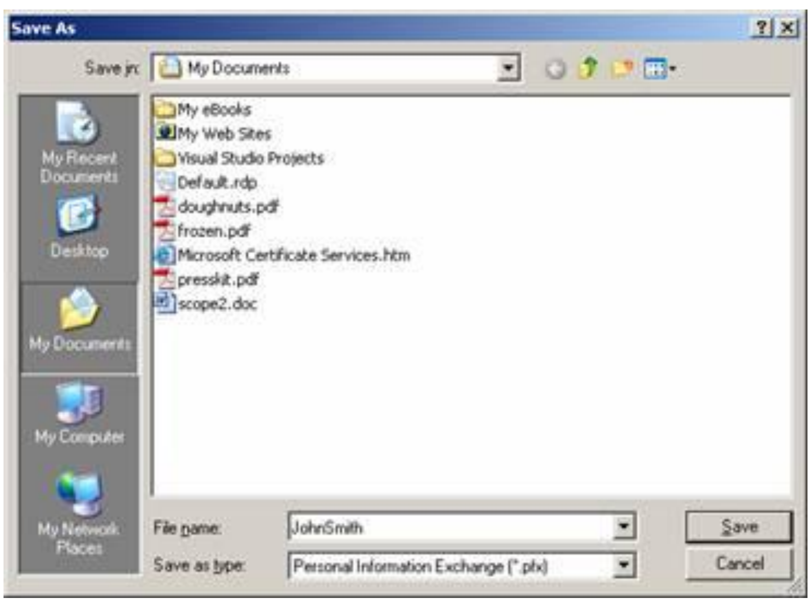
13. You will need a password to protect the private key you are exporting. Enter a password to protect the certificate data file, then click on "Next."

14. Name the data file that will hold your certificate. Enter the name, then click "Next."



15. Now select a folder to save the certificate into. You will need to copy this data file or folder to another computer to use the certificate on another computer.

Select the destination for the certificate data file, then click on "Save."



16. Click on “Finish” to save your certificate data.

17. Copy the certificate data file to new computer. On the web browser of the new computer select Tools/Internet Options/Content/Certificates as above in 17.1 and 17.2, but this time click on “Import.” This will launch the Certificate Import Wizard, shown below.

Once in the Certificate Import Wizard, click on “Next.”

18. Enter the password you assigned to protect the private key in **17.7**. Also, select "Mark this key as exportable" so that you can export the certificate again if needed. Click "Next" to proceed.

19. Now you will choose the certificate store, or the system area on your computer where your certificate will be kept.

Select either "Automatically select the certificate store" or "Place all certificates in the following store." You can select the "Personal" certificate store for the Taxsoftware.com certificate.

Then click on "Next."

20. Click on “Finish” to complete the import of the certificate.

Chapter 21: Checking Your Browser Configuration

Before you can proceed with doing tax returns online, you may need to install Java™ for best performance and to configure your web browser to trust the Taxsoftware.com web site to enable printing. Below are the instructions for determining what changes your setup requires.

1. To do tax returns online, go to the Taxsoftware.com home page, http://www.Taxsoftware.com, shown below.

Click on the line “Click here to do your tax return.”

2. Tax Preparation Software will be the next web page that shows up, as shown below. It should have an "Accept" button, highlighted in blue below.

If the "Accept" button is visible, you can click on it and proceed. If not, proceed with step 3. to configure your browser.

3. If the Business Tax Preparation Software page does not have an "Accept" button, then you need to install Java™ and configure your web browser to trust the Taxsoftware.com web site. Below is the web page without an "Accept" button.

Proceed with the next chapter to install Microsoft Java™ for best performance.

Chapter 22: Installing Java™

For best performance of the Taxsoftware.com web site, you should disable Sun Java™ and install Microsoft Java™ with Internet Explorer.

1. To see if Sun Java™ is installed, look in the computer's control panel. The Sun Java™ icon is a cup of coffee with the description "Java™ Plug-In," highlighted below. Double-click on the "Java™ Plug-In."

2. Select the "Browser" tab and uncheck the "Microsoft Internet Explorer" check box.

Click on "Apply" to save your changes.

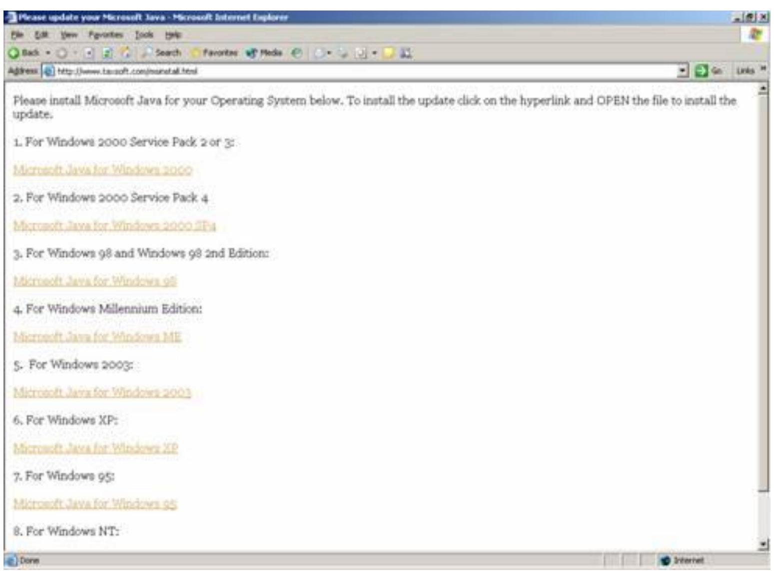
Next return to the Business Tax Preparation Software page at http://www.Taxsoftware.com/product.htm. The "Accept" button should be visible, as shown below. If it is, go on to **Chapter 21**.

If the "Accept" button does not show up on the Business Tax Preparation Software page at the Taxsoftware.com web site, then you need to install Microsoft Java™.

The page without the "Accept" button, shown below, will prompt you to do this installation. Click on the "Microsoft Java™" link to install Microsoft Java™.

3. Click on the correct version of Java™ for your operating system and answer yes to all of the security questions to install it. The screen below shows the options available.

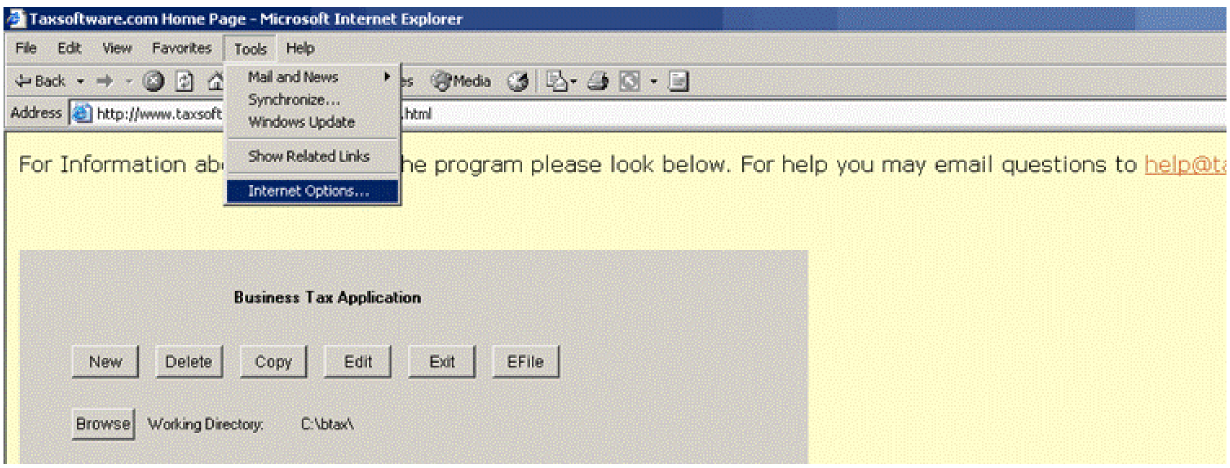
When you return to the Business Tax Preparation Software page, the "Accept" button will be visible, and you can proceed.



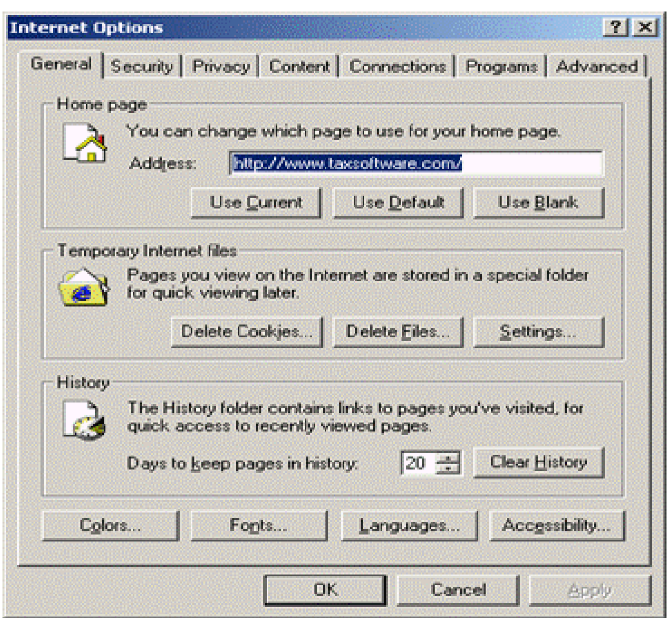
Chapter 23: Listing Trusted Sites To Enable Printing

You will need to add http://www.Taxsoftware.com and our other mirror sites, http://www.Taxsoftware.com.biz, http://www.Taxsoftware.comware.us, http://backup.Taxsoftware.com.com, and http://www.javatax.com, to your computer's Trusted Sites list to enable printing.

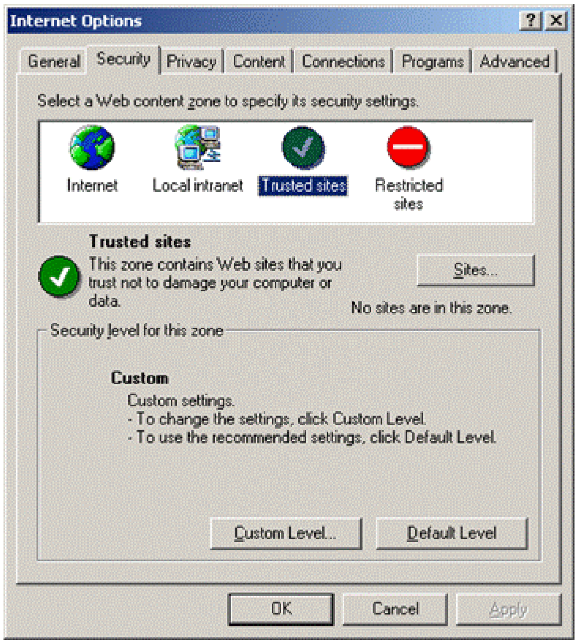
1. To put http://www.Taxsoftware.com into your Trusted Sites list, first select Tools/Internet Options from the Internet Explorer web browser menu, as shown below.



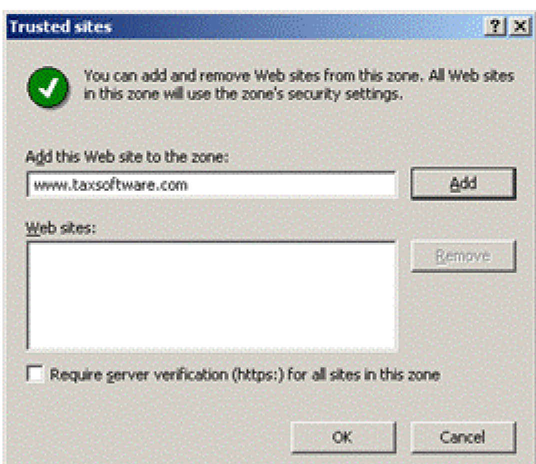
2. From the Internet Options page, shown below, select the Security tab.



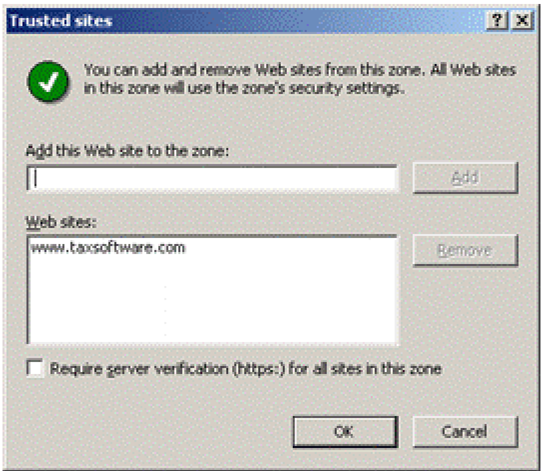
3. Select "Trusted Sites" and press the "Sites" button.



4. Enter www.Taxsoftware.com in the "Add this Web site" box. Uncheck the box that requires server verification, then click on "Add." You can not press the "Add" button until the server verification box is unchecked.



5. When www.Taxsoftware.com appears in the "Web sites" box, as shown below, press "OK" to continue.



Chapter 24: Transmitting and Moving Tax Returns

You can submit completed tax returns directly to the IRS through the link on the Taxsoftware.com Start Web Page. Follow the directions below.

1. After you click on the "E-File" button on the start page, you will see the transmission web page, shown below. Click on "Confirm" to send the tax return to the IRS via the internet.

Click on "Cancel Send" to return to the tax return.

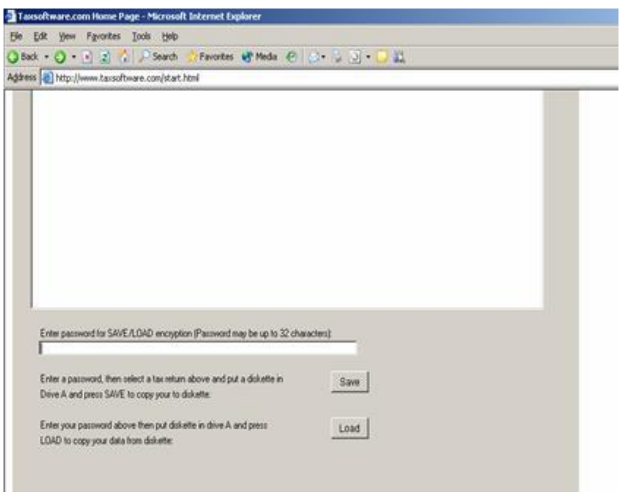
The data are saved encrypted on your computer using AES encryption in the file C:\BTAX\SENDDATA.HTML. It is safe to send encrypted data via the internet.

2. If the transmission page does not automatically open up, because of some Information Returnswall or other security blocking, when you click on the "E-File" button, you can manually find the file on your computer and double-click on it to open it up.

The file will be in the C:\BTAX\ directory, where it was saved and encrypted. You can e-mail it to the Taxsoftware.com computer at elf@Taxsoftware.com and it will be transmitted to the IRS from there. All of the data in the file are encrypted so the file is safe to e-mail.

3. To move a tax return data file to another computer, go to the Taxsoftware.com Start Web Page, then can click on a tax return listed.

Enter a password and click on "Save" to save the encrypted data file to a diskette to move it to another computer. You can use the "Load" button to load the tax return file from another computer.



Chapter 25: Setting Printer Defaults

Adobe Acrobat Printing Configuration

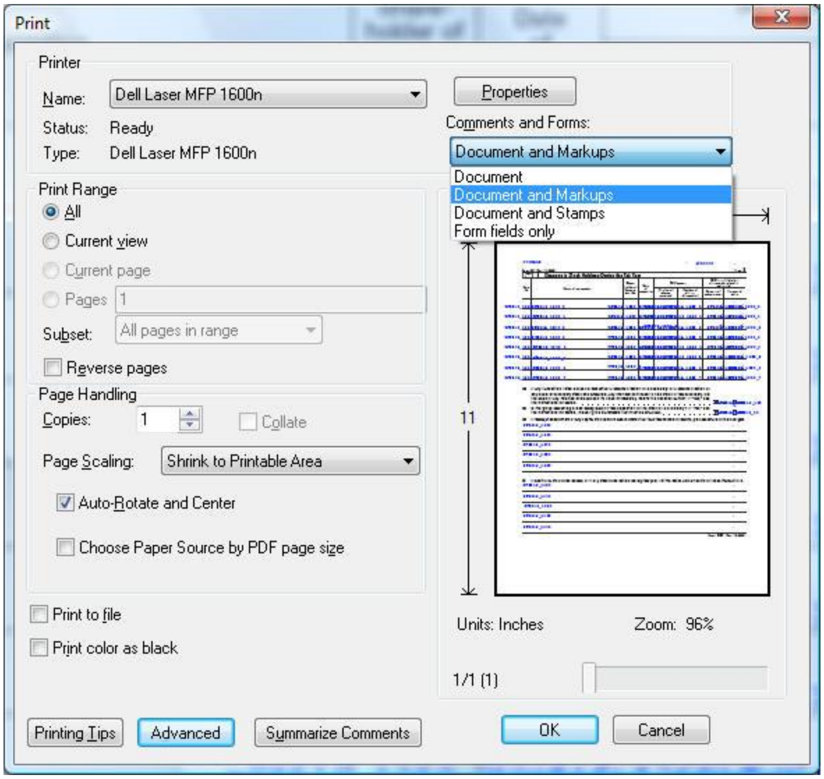
If you are using SUN Java™ and Adobe Acrobat 6.0 the default for Adobe Acrobat is to NOT PRINT THE DATA on the forms. Any other combination of products the default is TO PRINT THE DATA on the forms.

You must check the box to print the annotations or comments, so the data you input will appear on the printed version. To ser the proper configuration in Adobe Acrobat, please click on FILE on the upper left corner, and then

click on PRINT. The PRINT screen may vary according to the version number of Acrobat that you have in your computer.

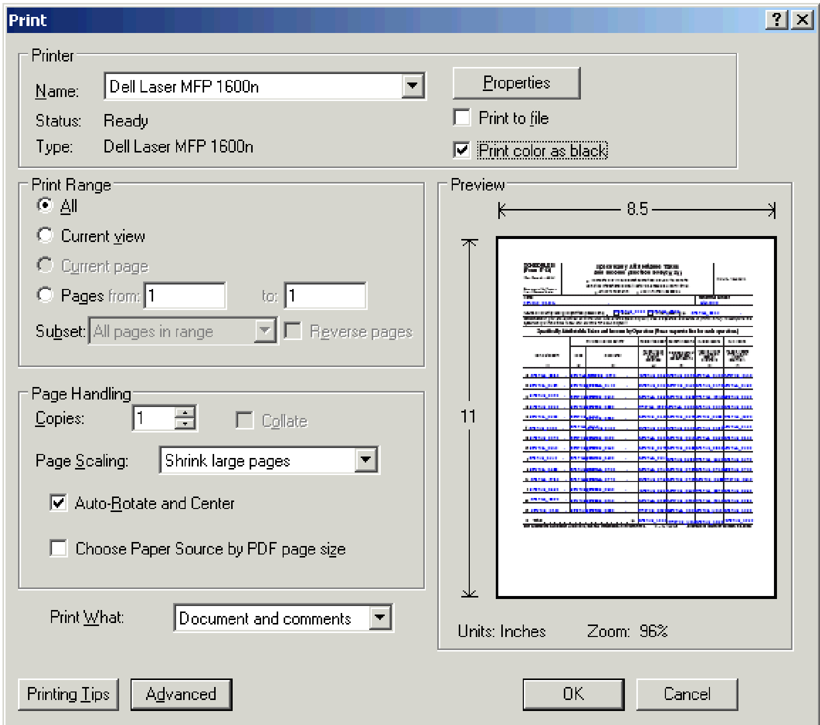
Versions 7.0, 8.0 and 9.0

On versions 7.0, 8.0, and 9.0 you must select **DOCUMENT AND MARKUPS** in the box for COMMENTS AND FORMS. Also check the box to PRINT COLOR AS BLACK, otherwise the default will be blue. Then click OK.



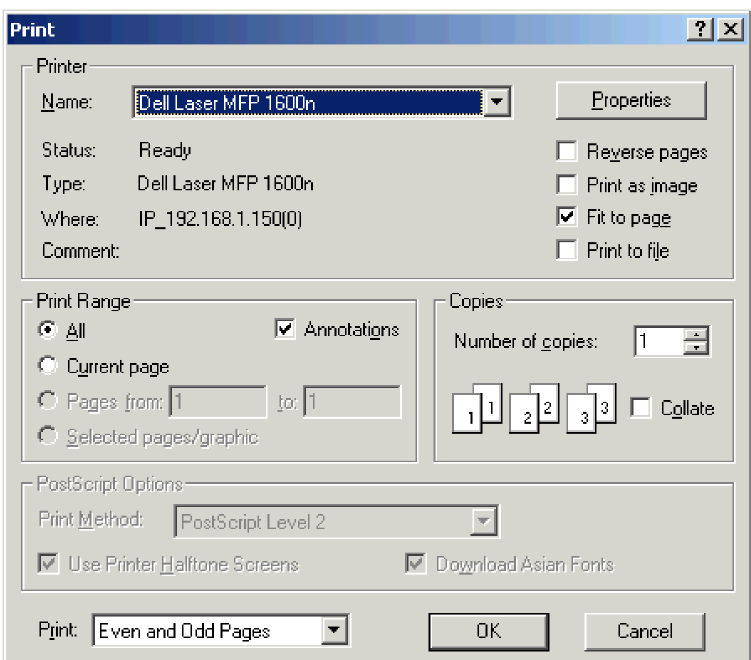
Version 6.0

To change the default please select **DOCUMENT AND COMMENTS** in the PRINT WHAT field of the printer dialog box as shown below: Also check the box to PRINT COLOR AS BLACK, otherwise the default will be blue. Then click OK.



Version 4.0

Make sure the box for **ANNOTATIONS** is checked as shown below. Then click OK.



Chapter 26: TaxDBC – Tax Database Connector

Currently TaxDBC can only work with Taxsoftware.com Online. It is the intention of the software to enable TaxDBC with Taxsoftware.com Offline for the next tax season.

With the TaxDBC multi-user database networking option, you can store all of your tax return data on your local database and allow all the users on your local network to access the tax return data. In normal operation Taxsoftware.com stores the data in flat files on a client computer. Each tax return is stored in a single data file. This makes it difficult to share tax returns among a large number of users since the data files must be moved in order to share the tax returns. See how TaxDBC works.

With the TaxDBC option all you need to do is setup a JDBC or ODBC database connection to your local database, such as SQL SERVER, ORACLE, or ACCESS. Each user still comes to Taxsoftware.com to use our web site as they would in normal use, but all data are stored and shared via your local database connection. No one else has any access to your data: we host the Taxsoftware.com web site; you host your database. Taxsoftware.com will automatically create all of the tables in your database to hold all of your tax return data. TaxDBC creates one table for each form you are using. Each column of the table is the IRS line code number. This is the same format used for IMPORT/EXPORT.

When a tax return from a flat file is accessed, all of the data are automatically moved from the flat file to the database. New tax returns that are created are automatically stored in your database. All users on your local network can access the tax return data. All information is updated in real time, and each user sees the current version of each tax return. You are only limited by the size of your database, so millions of forms can be kept online at all times for access over multiple tax years.

You can automatically generate a separate PDF for each recipient of a 1099 or K-1 or any other form for distribution over email or via your internet web site. Also, you get unlimited use to print or reprint forms as need.

You can e-file your tax forms as required. We charge our standard e-file fees for any forms you e-file.

Since all of the data are on your local network you control the level of security you want to provide. Each user on your network can be given a separate user name and password and you can configure the security on your database according to your internal policies.

TaxDBC Multiple

Includes - one site with multiple users unlimited use of the Taxsoftware.com TaxDBC software, including all modifications made, for the period of one tax year, pursuant to our site license agreement.

You do not need to pay to print any Forms 1040EZ/1040A/1040 or individual state tax returns when you purchase the TaxDBC option. But when you e-file all of our standard e-file fees apply as per our price page or e-services prices. The price above includes the following services:

TaxDBC Single

Includes - one year unlimited use of the Taxsoftware.com TaxDBC software, including all modifications made, for the period of one tax year, pursuant to our license agreement.

See comparison Chart below:

Product	TaxDBC Multiple	TaxDBC Single
Maintenance of taxpayer information	⍰	⍰
Web-based interface with client written in Microsoft .net	⍰	⍰
Information updated in real time	⍰	⍰
Audit log information is maintained; this allows you to view old versions of tax returns and see who changed, what changed, and when it changed	⍰	⍰
Concurrent access to the same data by multiple users	⍰	⍰
Multiple EFINs allowed for the same database with unlimited users	⍰	
One single EFIN allowed for up to 5 users in the same database		⍰
Peer-to-peer remote access	⍰	⍰
Search function by taxpayer ID, name, type of return, tax year, etc.	⍰	⍰
Unlimited data storage capability	⍰	

Storage capacity limited to 2 GB		✓
Generation of a PDF document that can be printed to any printer	✓	✓
Option to view forms online, print to a local printer, or e-mail in PDF format	✓	✓
Option to print/reprint 990, 1040, 1065, 1120, 1120S, 1041, 1099, 2290, 720, 8849 and other forms to a local printer or e-mail in PDF format	✓	✓
Import/export unlimited K-1s and 1099s to one single tax return using spreadsheets	✓	✓
Import/export multiple tax returns using spreadsheets	✓	
Unlimited and access to prior versions of a tax return	✓	✓
All the security is in the database; option of password security, user group security, and/or individual security	✓	✓
Complete online editing of data (ie., valid TINs, valid dates)	✓	✓
Graphical user interface (Windows look and feel)	✓	✓
Supports any JDBC (Java™ database connection) or ODBC (open database connection), such as Microsoft SQL Server 6.5 and higher, Oracle 8.05 or higher	✓	
Supports Microsoft SQL Server 2005 Express (included)	✓	✓
Runs on any operating system including: Windows 95 SR2, Windows 98, Windows NT, Windows 2000 SP2, Windows XP, Windows 2003, etc.	✓	✓
Installation support	✓	✓
Unlimited preparation software access	✓	
Multi return check in and check out	✓	
Multi return print	✓	
Multi return e-file	✓	
Phone customer support	✓	
Online customer support	✓	✓

All you do is maintain your database.

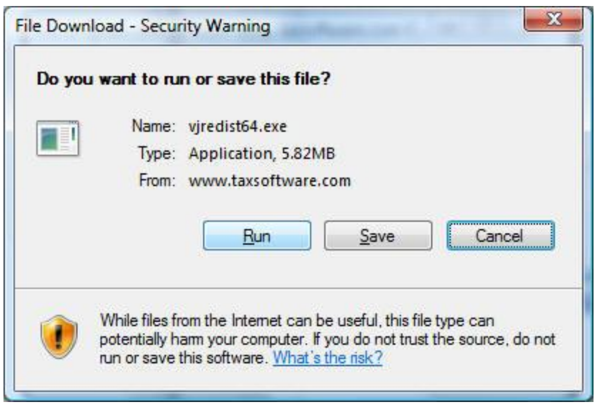
Setting up your TaxDBC

Installing Microsoft Dot Net

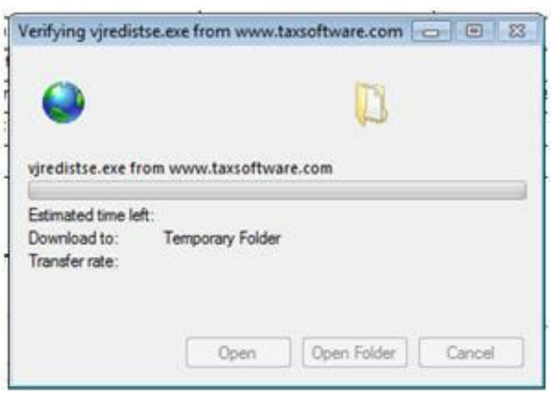
Our software requires that you first install Microsoft.Net.

1. Click on this link: Microsoft .NET J# 2.0 2nd Edition
or for 64 bit users: Microsoft .NET J# 2.0 x64 2nd Edition

2. Select RUN on this screen.

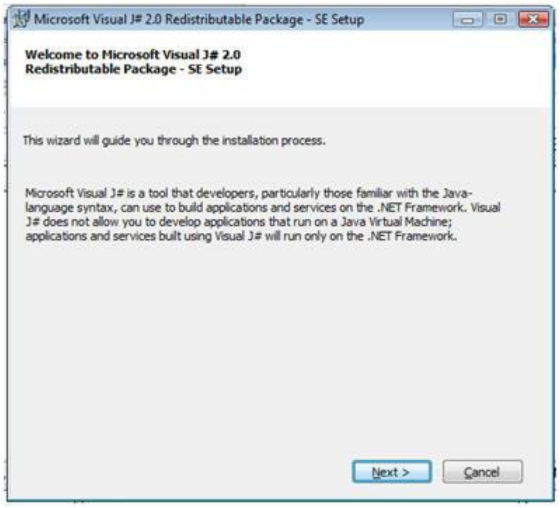


3. You will see this screen.



4. Click on RUN on this screen.

5. Click on NEXT.



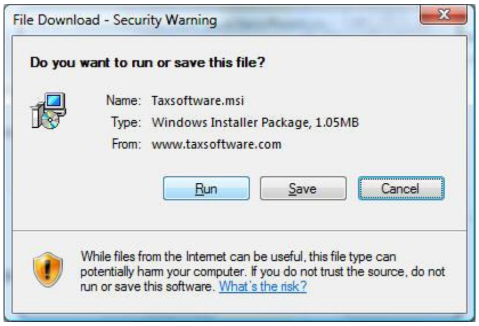
6. Click on FINISH.

Installing Taxsoftware.com

1. Click on this link to download Taxsoftware.com:

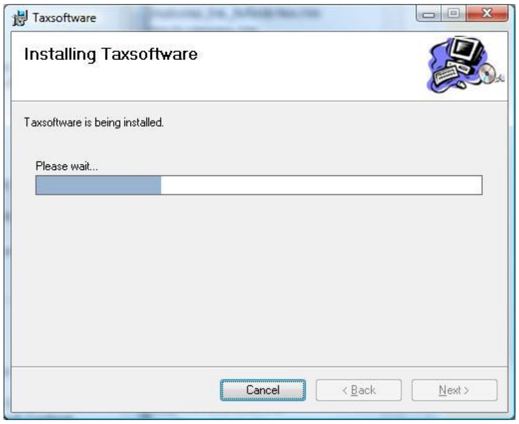
[Taxsoftware.msi]

2. You will see the screen below pop up. Please select RUN.

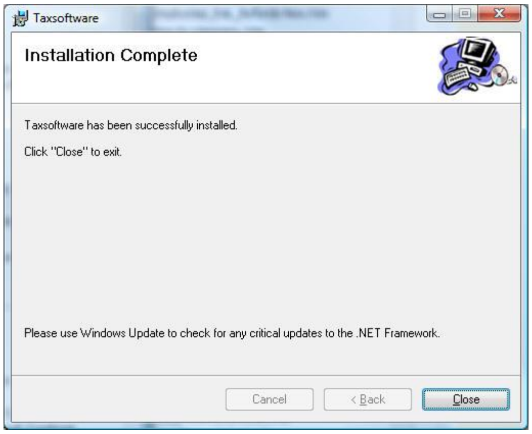


3. Click on RUN.

4. Click on NEXT.



5. Click on CLOSE. Now you have Taxsoftware.com TaxDBC installed in your computer.

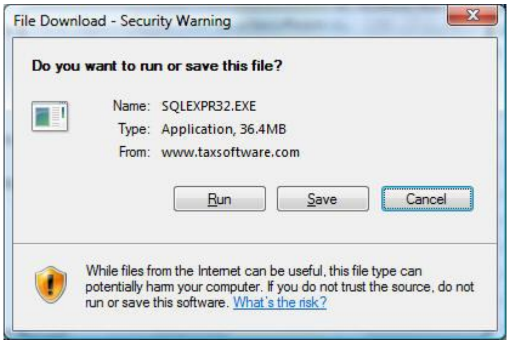


Installing Sequel Server Express

1. Click on this link to download Sequel Server Express.

[SQLEXPR32.EXE]

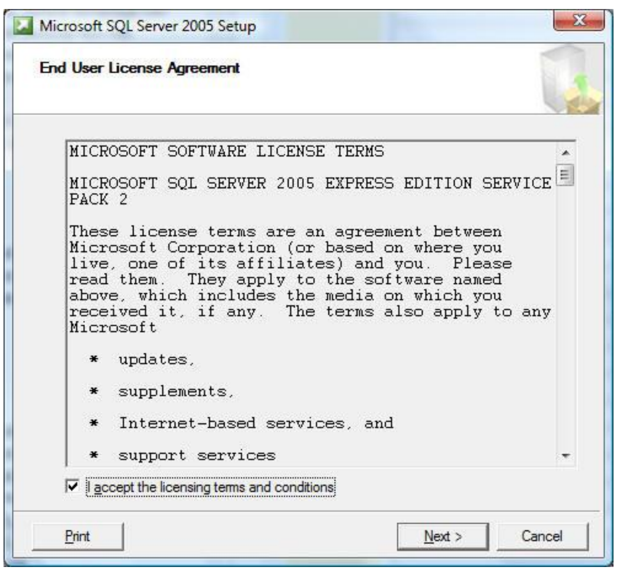
2. Click on RUN.



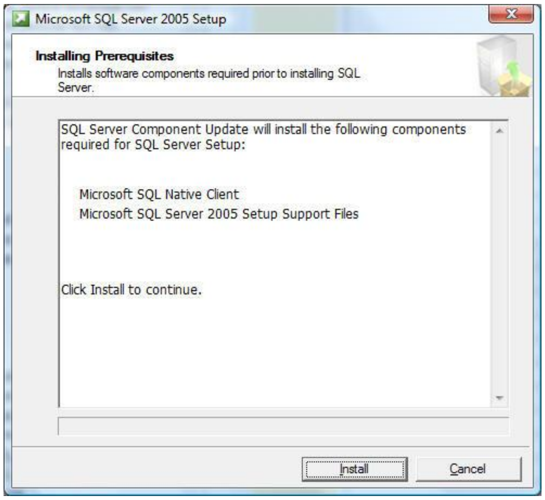
3. Click on RUN.

4. You will see this screen.

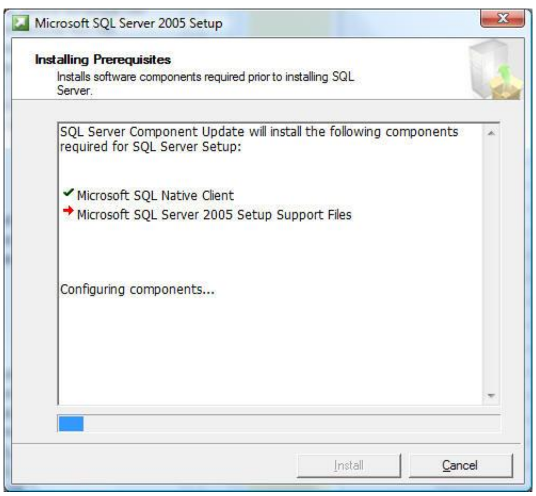
5. Check the box to accept the license terms and click on NEXT.

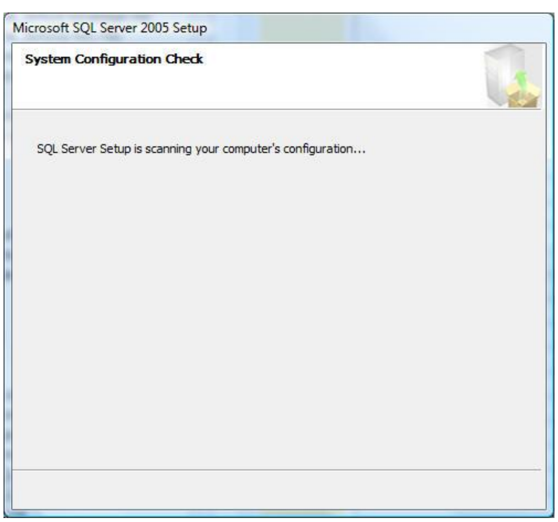


6. Click on INSTALL.



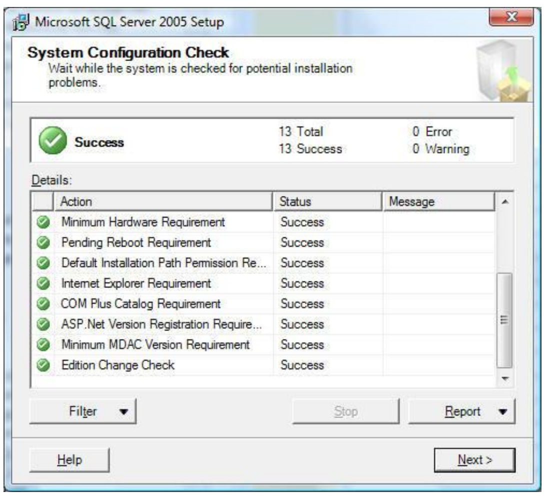
You will see this screen.



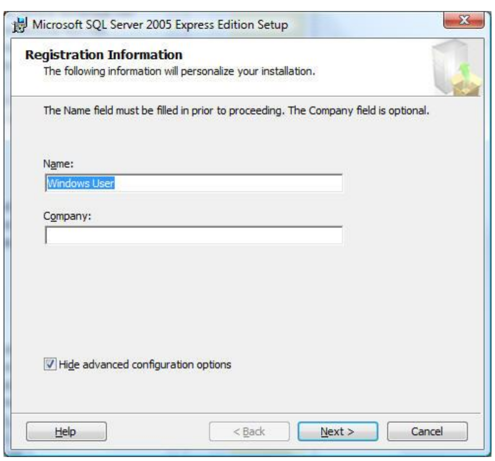


7. Click on NEXT.

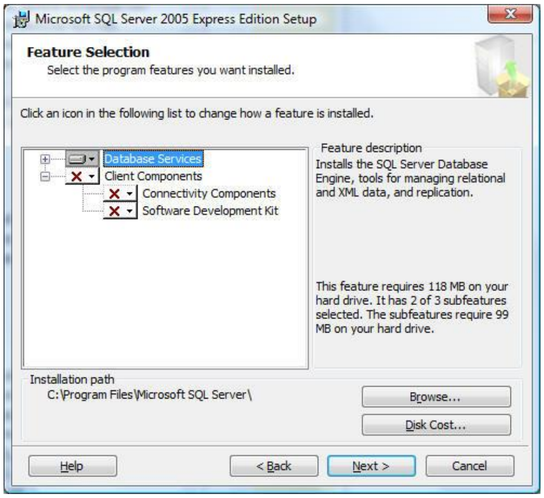
8. Click on NEXT.



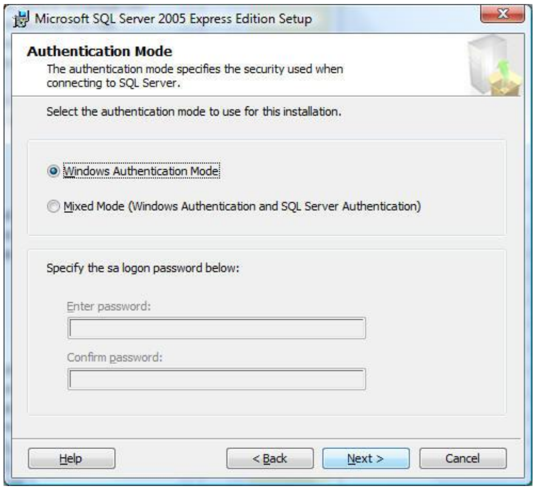
9. Enter your name and click on NEXT again.



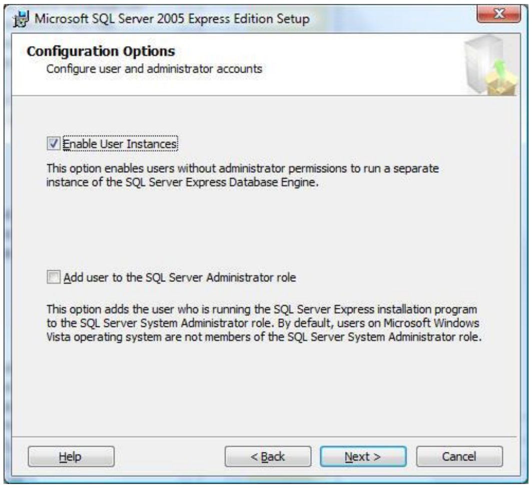
10. Use the default options and click on NEXT.



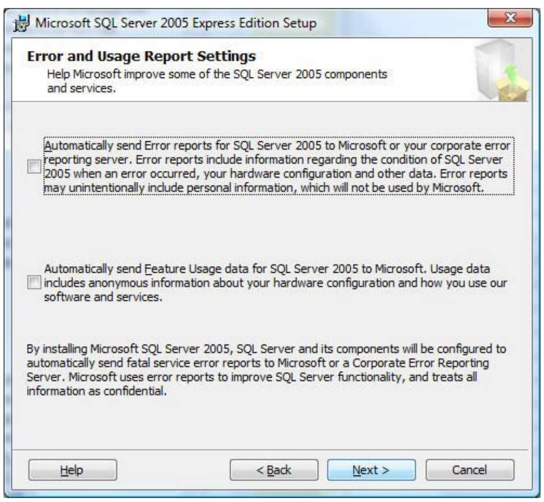
11. Click on NEXT.



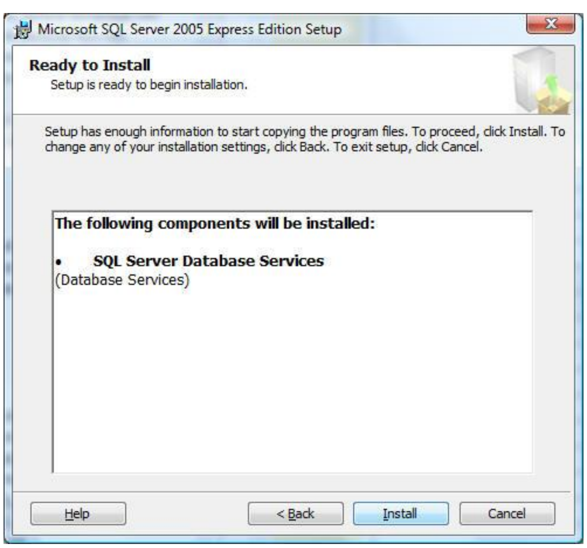
12. Click on NEXT.



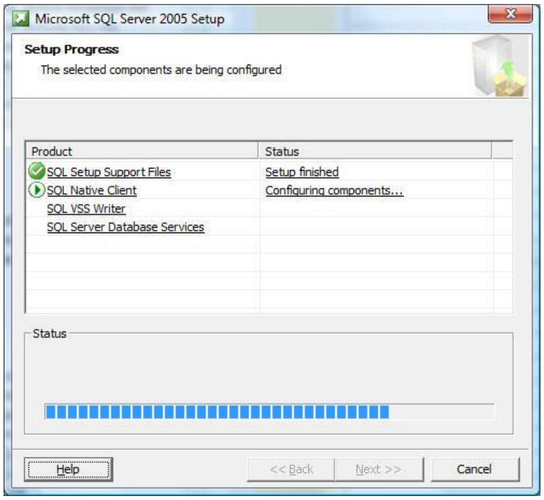
13. Click on NEXT.



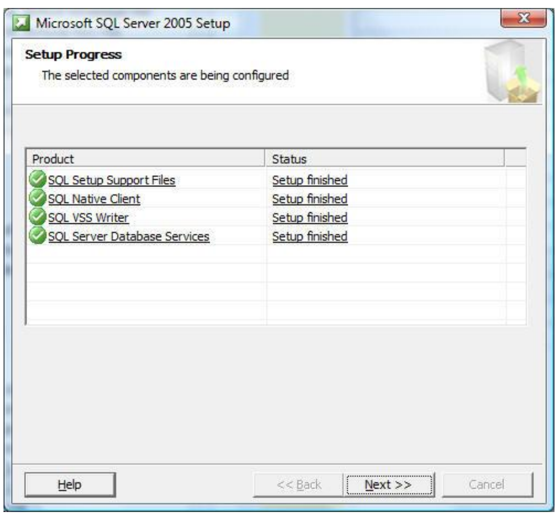
14. Click on INSTALL.



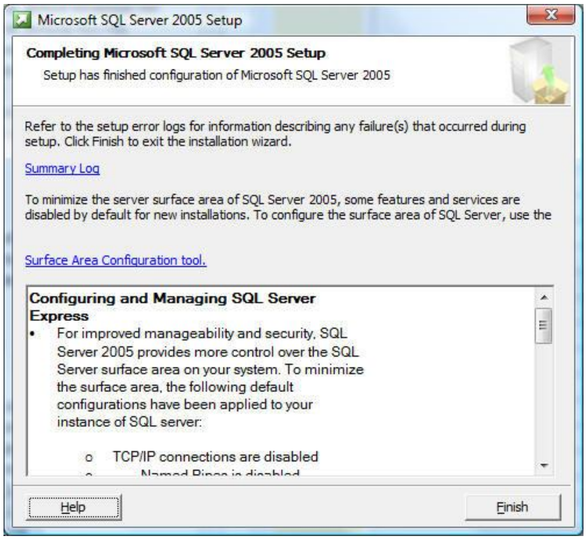
You will see this screen.



15. Click on NEXT.



16. Click on FINISH.

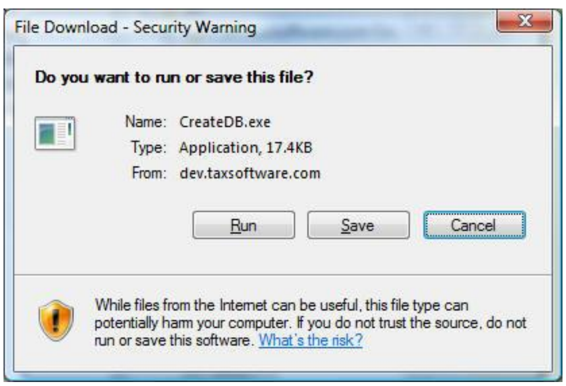


Creating a database and configuring the ODBC connection

1. Start by clicking on this link.

[CreateDB.exe]

2. Click on RUN.



3. Click on RUN.

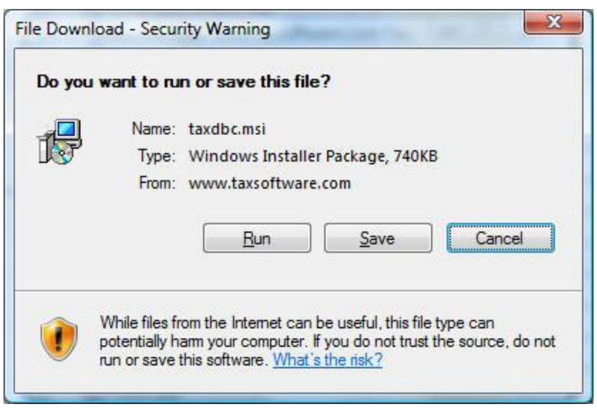
Installing TaxDBC

1. Click on this link.

https://www.taxsoftware.com/secure2/taxdbc.msi

2. Say OK to your digital certificate.

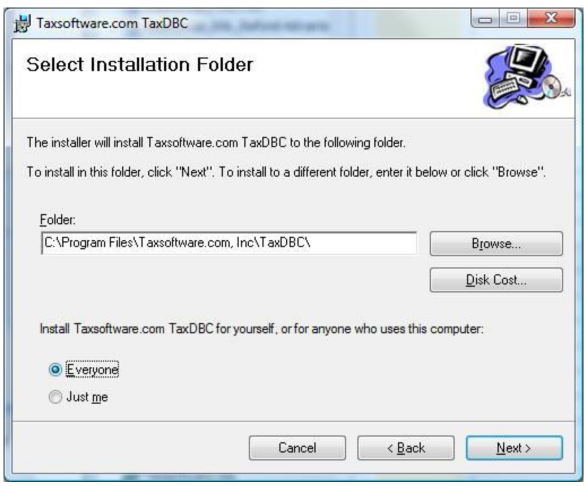
3. Click on RUN



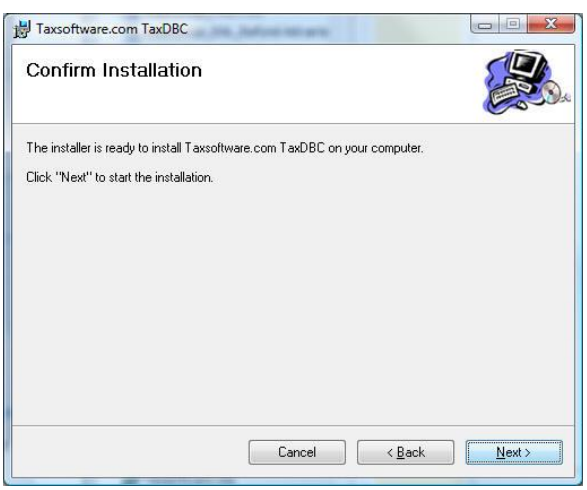
4. Click on RUN.

5. Click on NEXT.

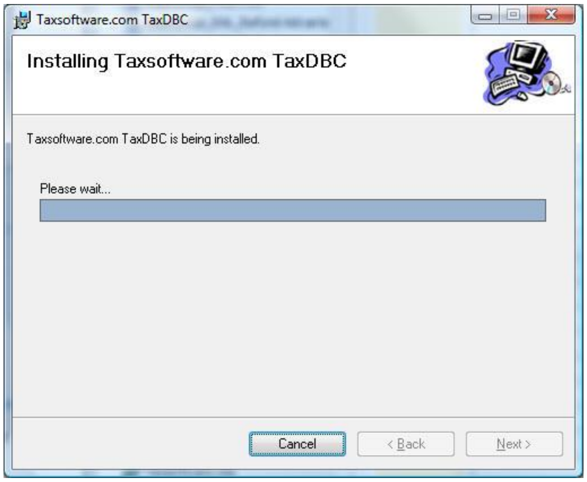
6. Select EVERYONE and click on NEXT.



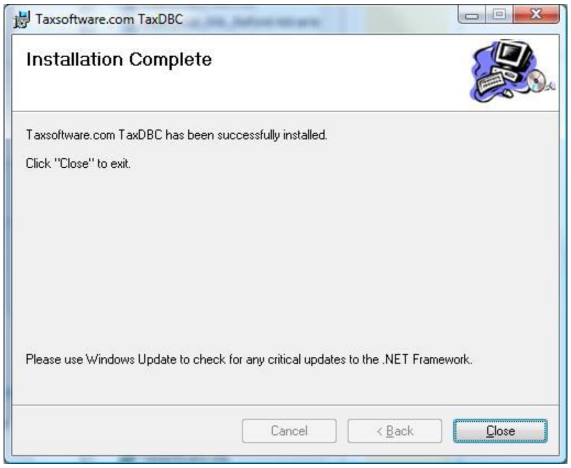
7. Click on NEXT.



You will see this screen.



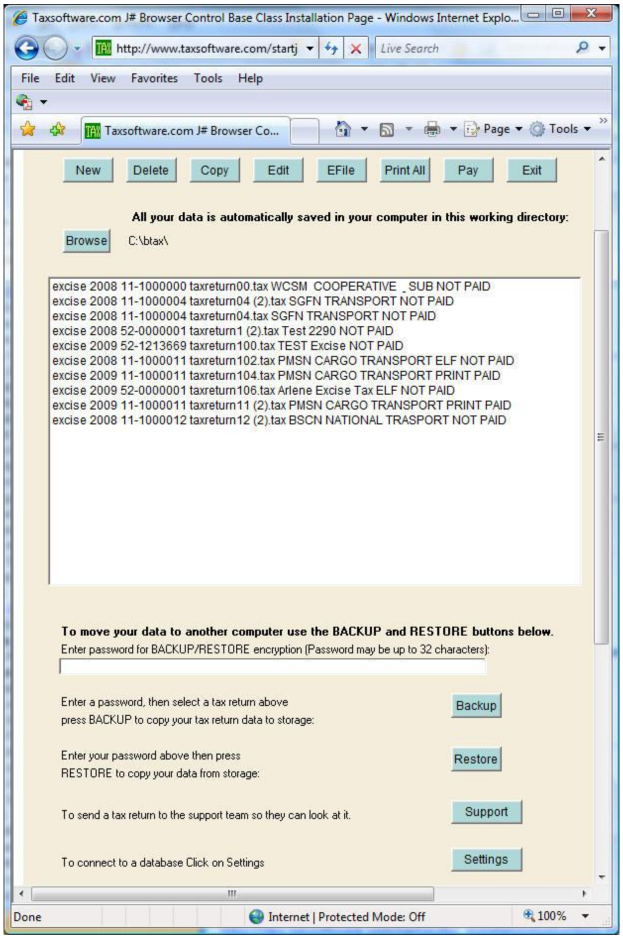
8. Click on CLOSE when the installation is complete.



Starting TaxDBC.

1. Use this URL as your web page for Taxsoftware.com:
http://www.taxsoftware.com/startj.html

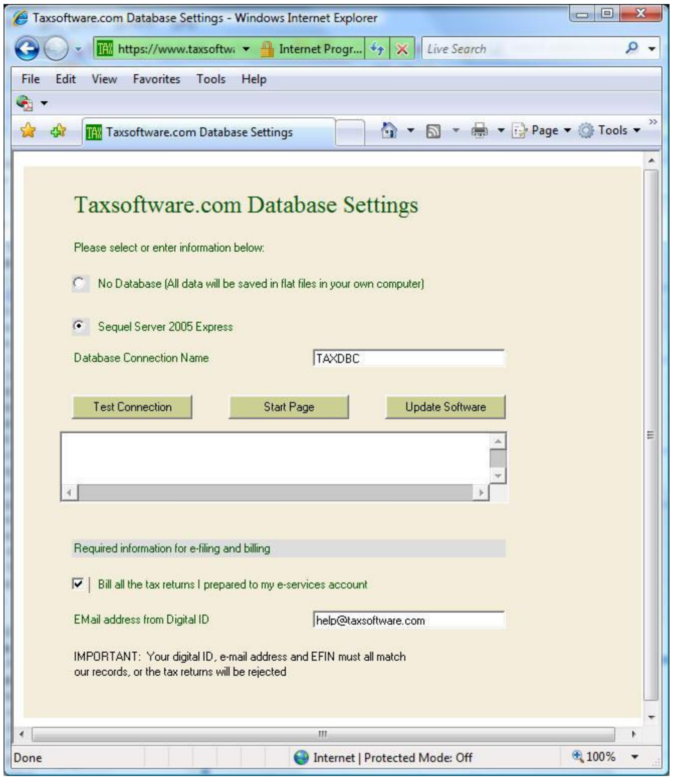
2. Click on the SETTINGS button.



3. Say OK to your digital certificate.

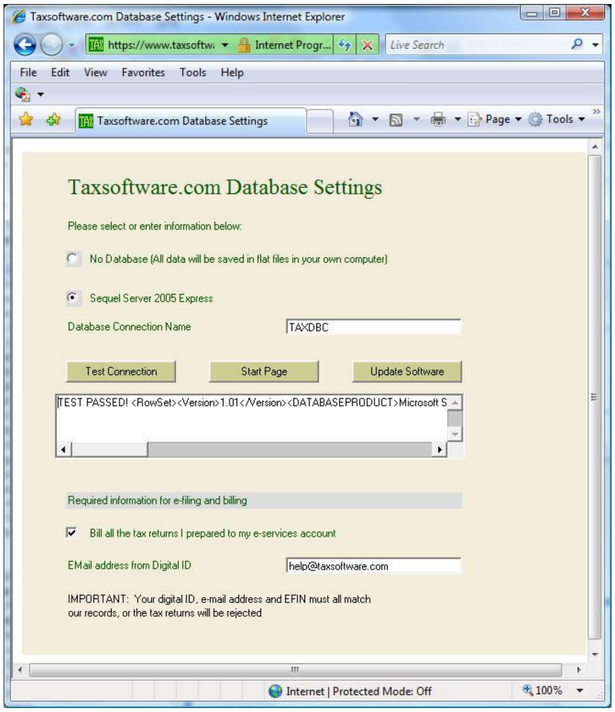
4. Select Sequel Server 2005 Express. Enter TAXDBC as the Database Connection Name. Check the box to bill all the tax returns to your e-services account.

After that, click on the TEST CONNECT button.

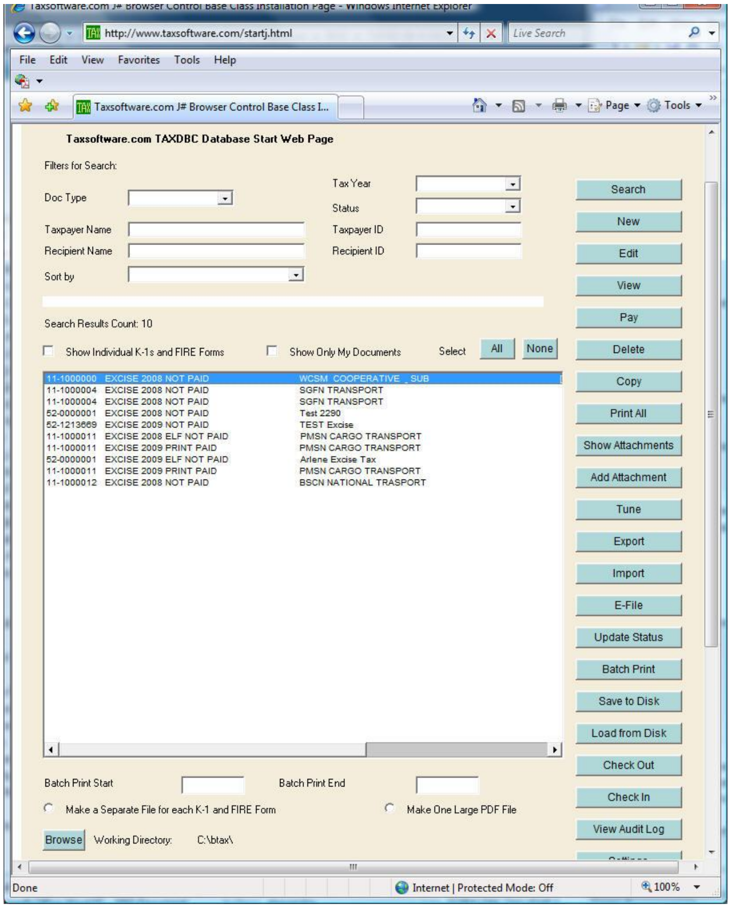


5. You will see this screen. There is no password. Just click OK.

6. You will see this screen. Click on START PAGE.

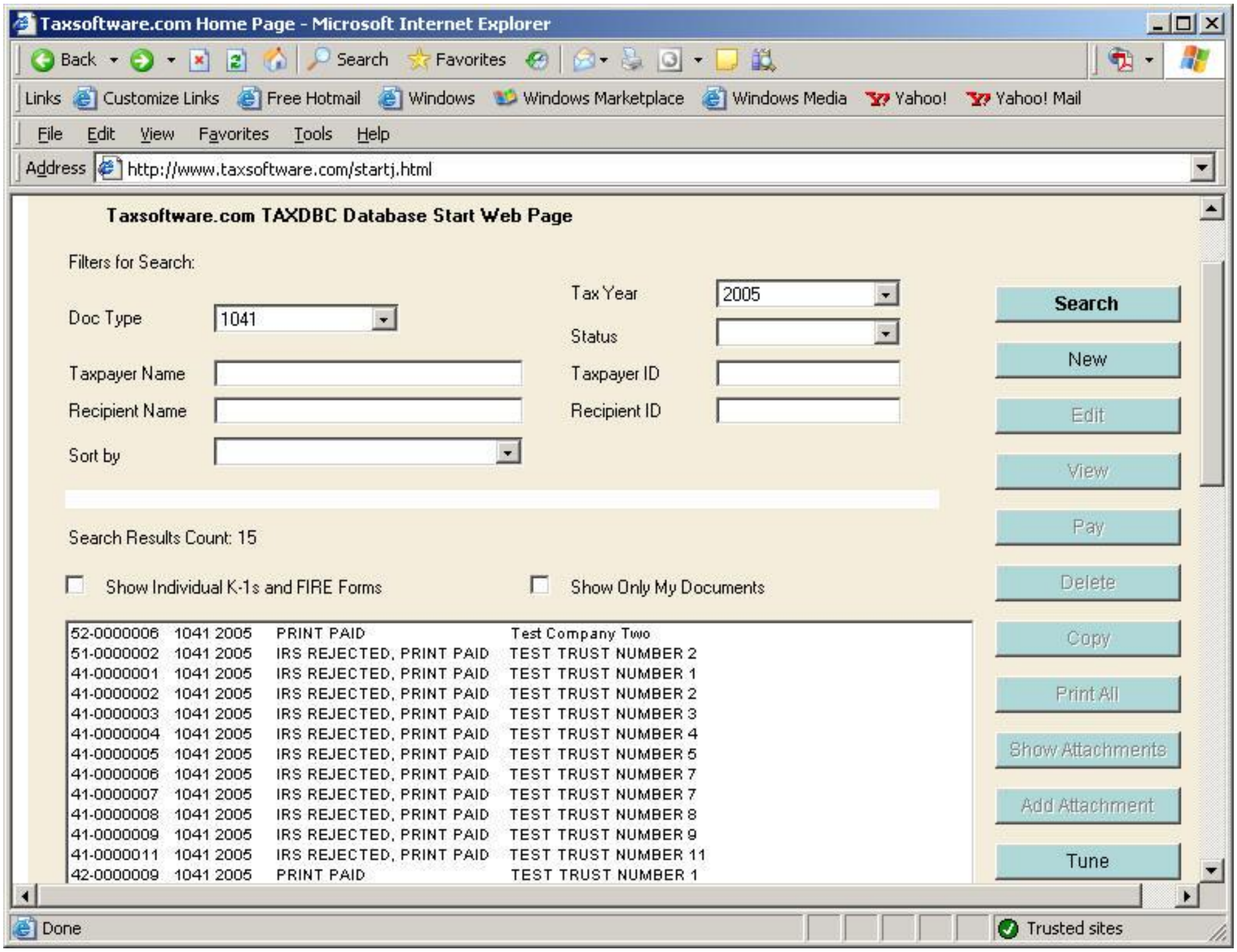


7. This will be your starting page every time you use Taxsoftware.com with TaxDBC.



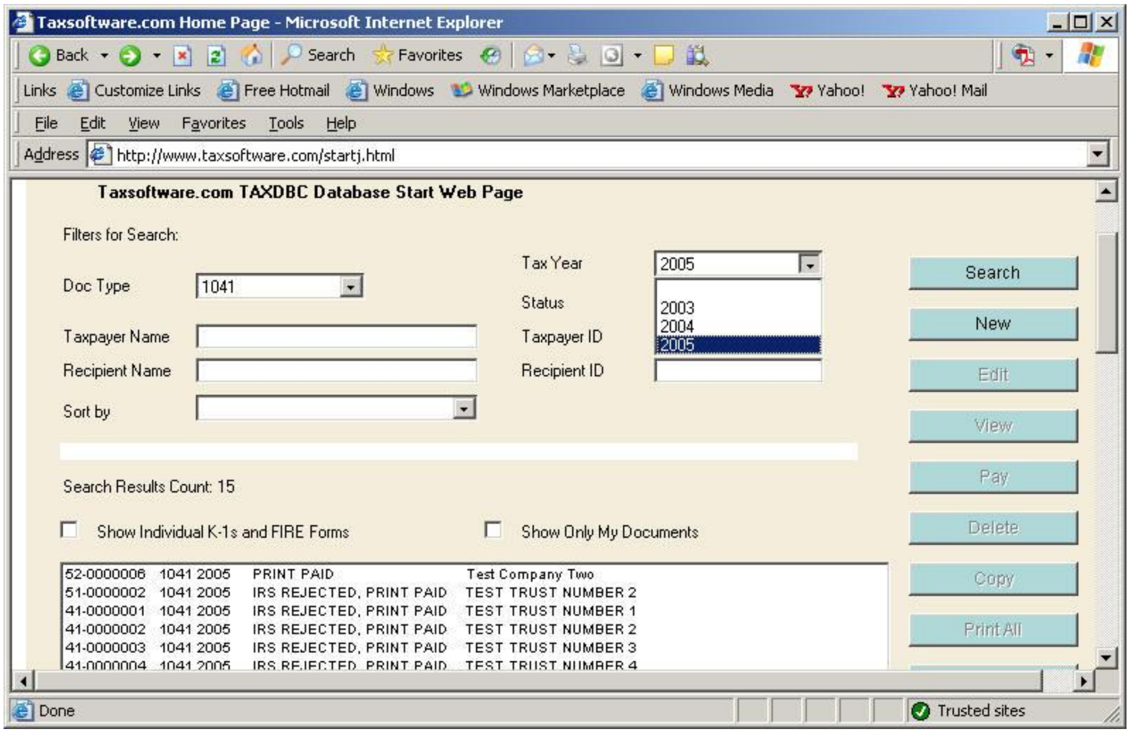
Using TaxDBC

1. When you install TaxDBC, the page below will always the your Start Page every time you access Taxsoftware.com

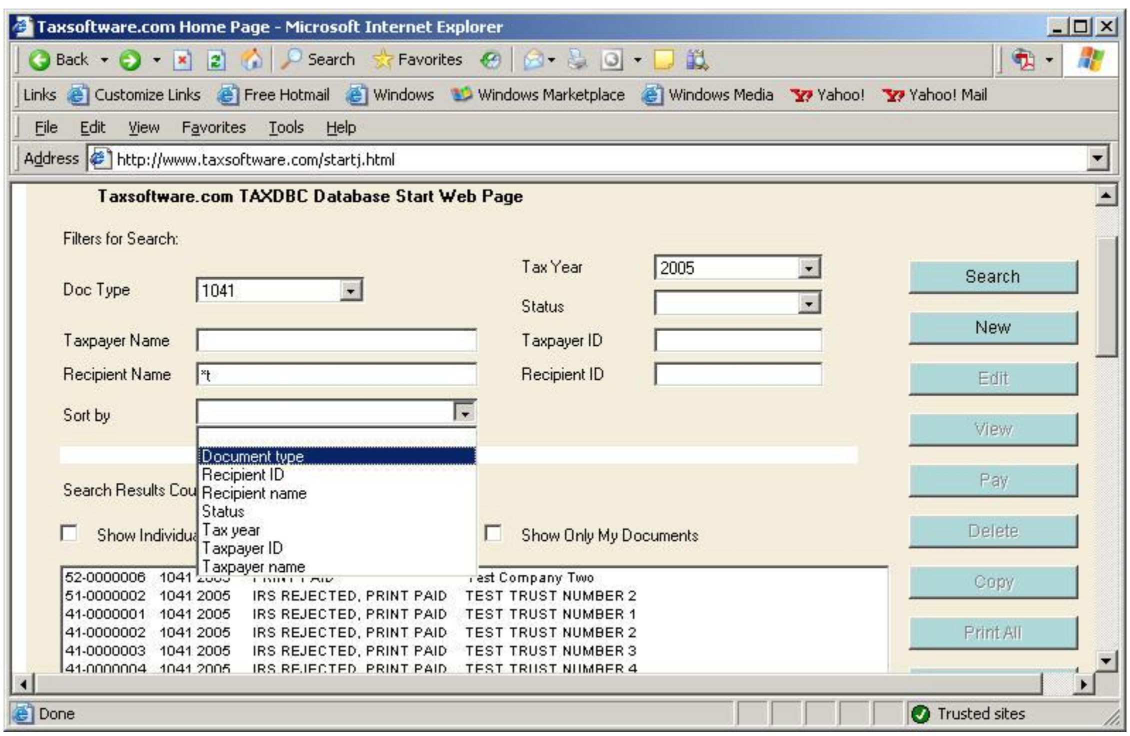


2. Search—allows you to search for tax returns or individual K-1s and Information Returns forms in the database, by document type, tax year, tax payer ID, tax payer name, recipient ID, and recipient name.

To use the Search function just select one of the options on the Doc. Type or the Tax Year drop down boxes.

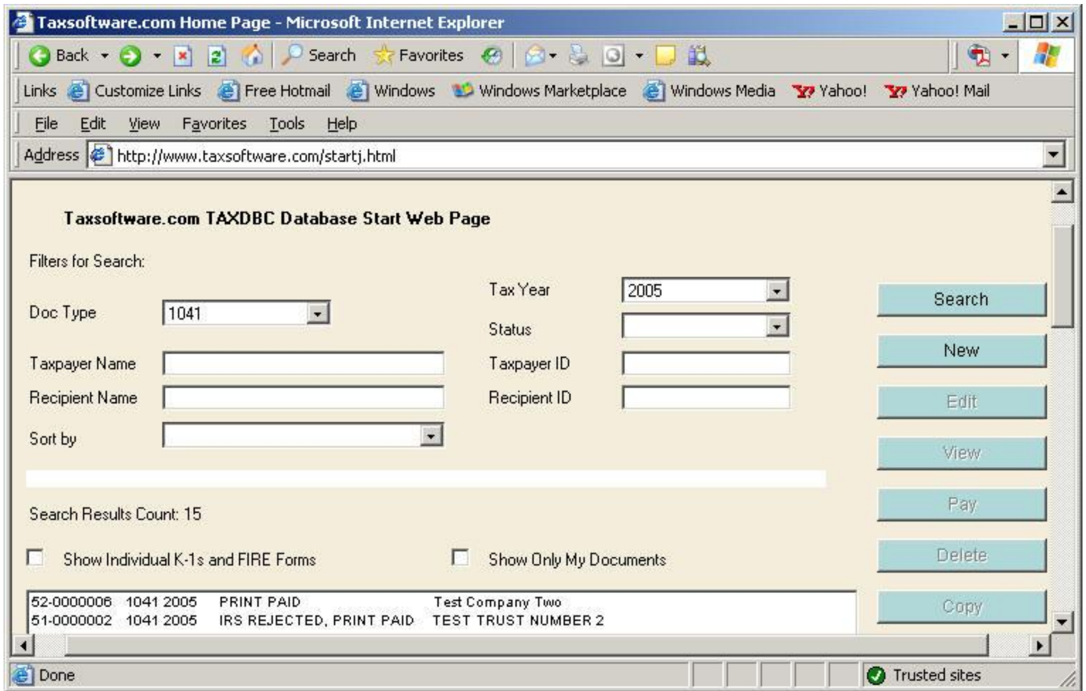


Or enter any key word on the other search fields. For example, enter t* to see all the taxpayers starting with the letter "T."

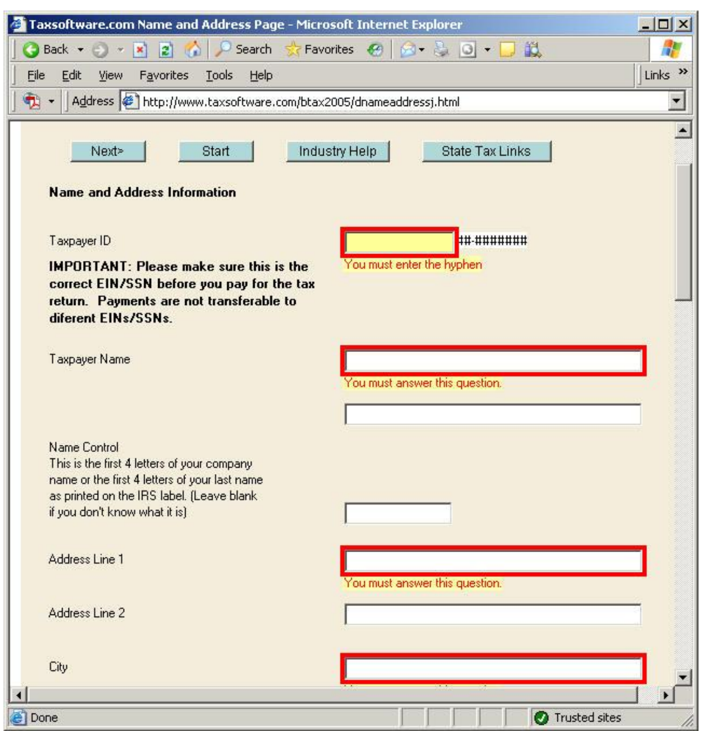


You can also use a combination of search options.

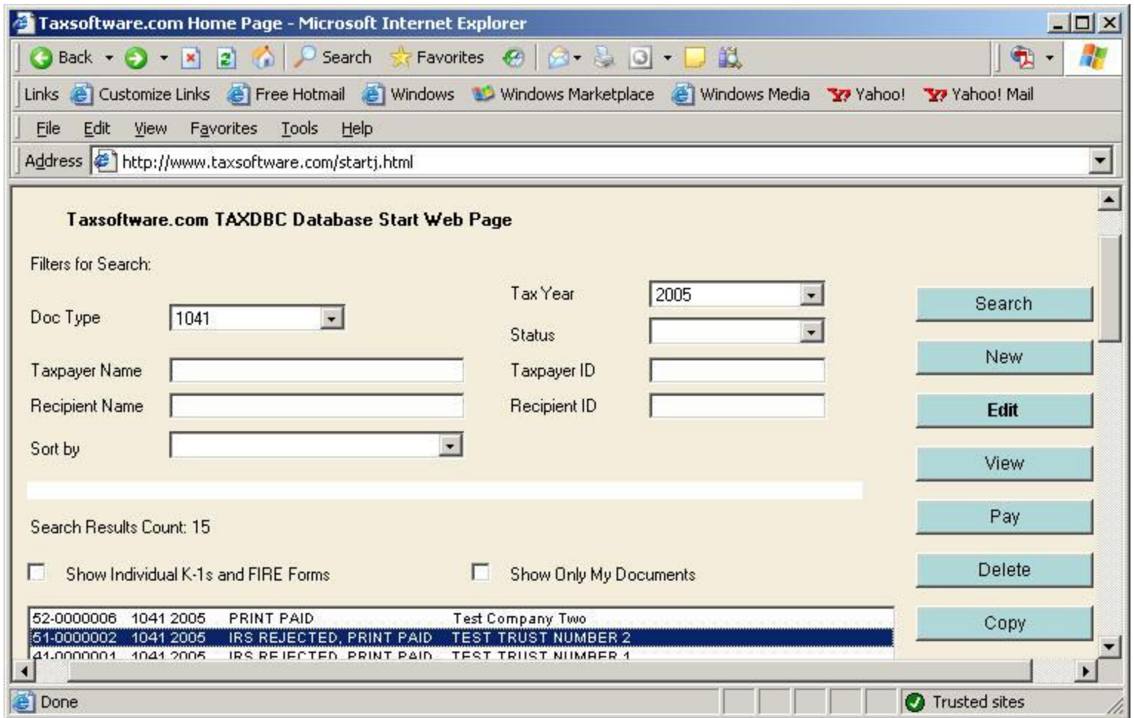
3. New—creates a new tax return in the database.



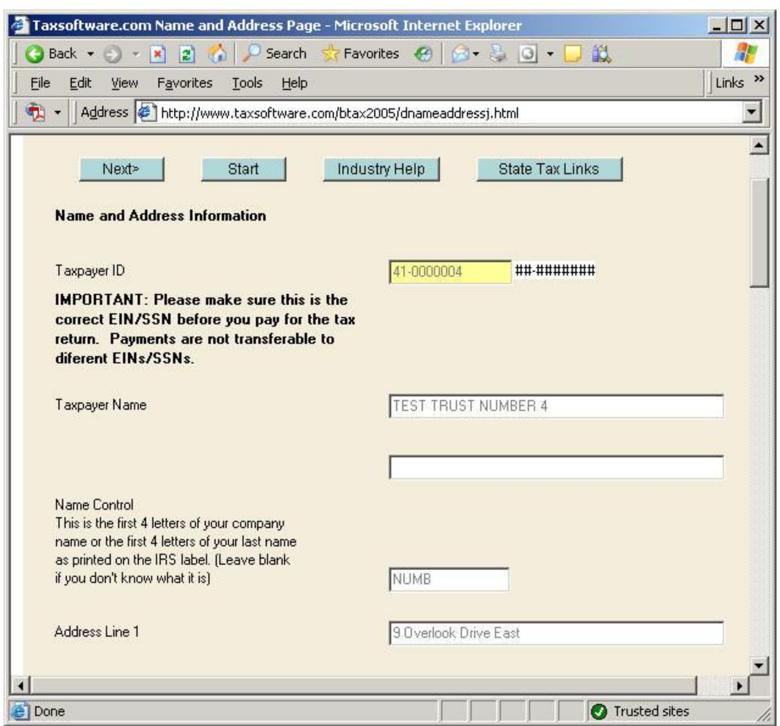
When you click on NEW you will be taken to the first page of a blank tax return. You can then page through the return to enter it manually.



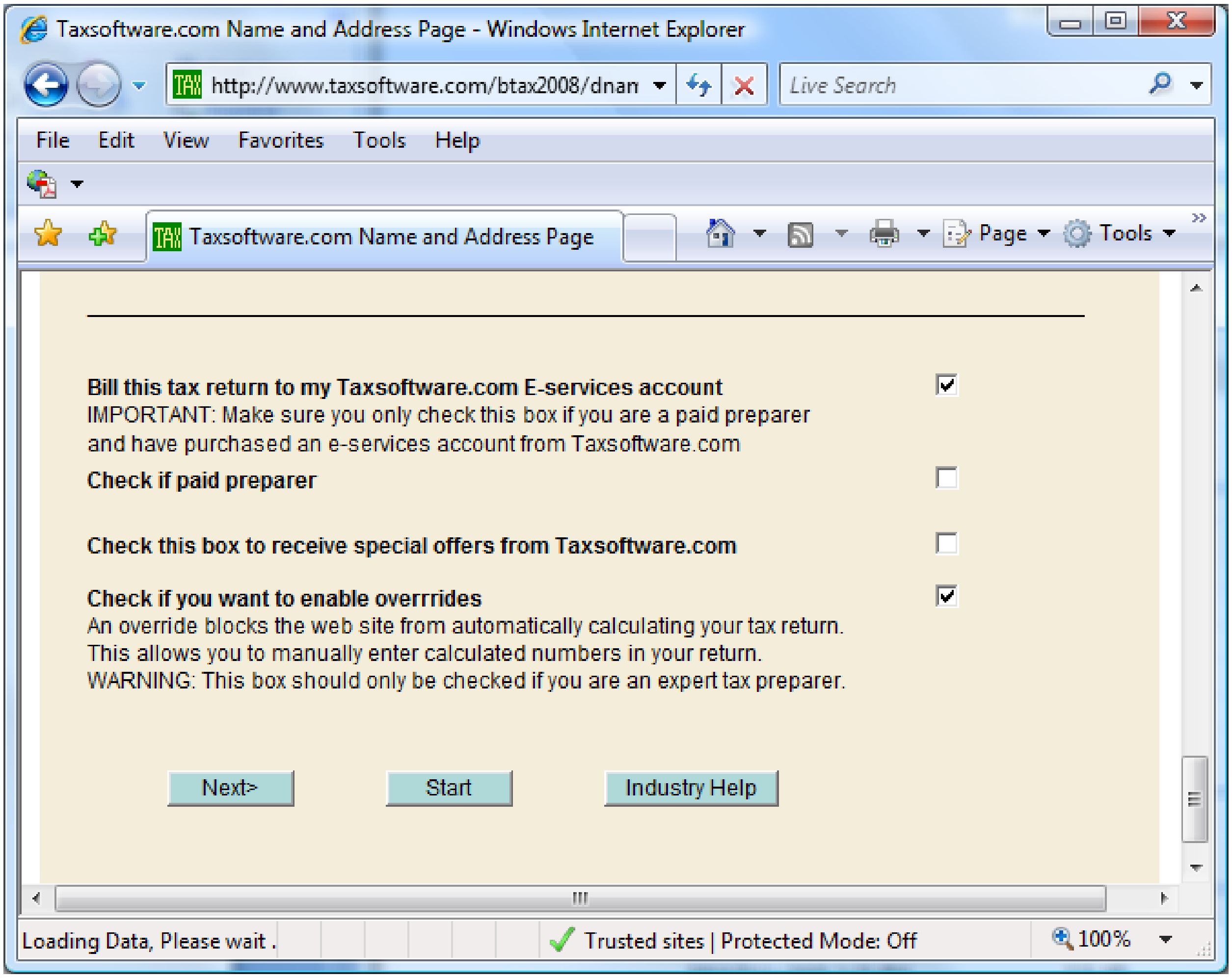
4. Edit—select a return, and click in this button to edit an existing tax return.



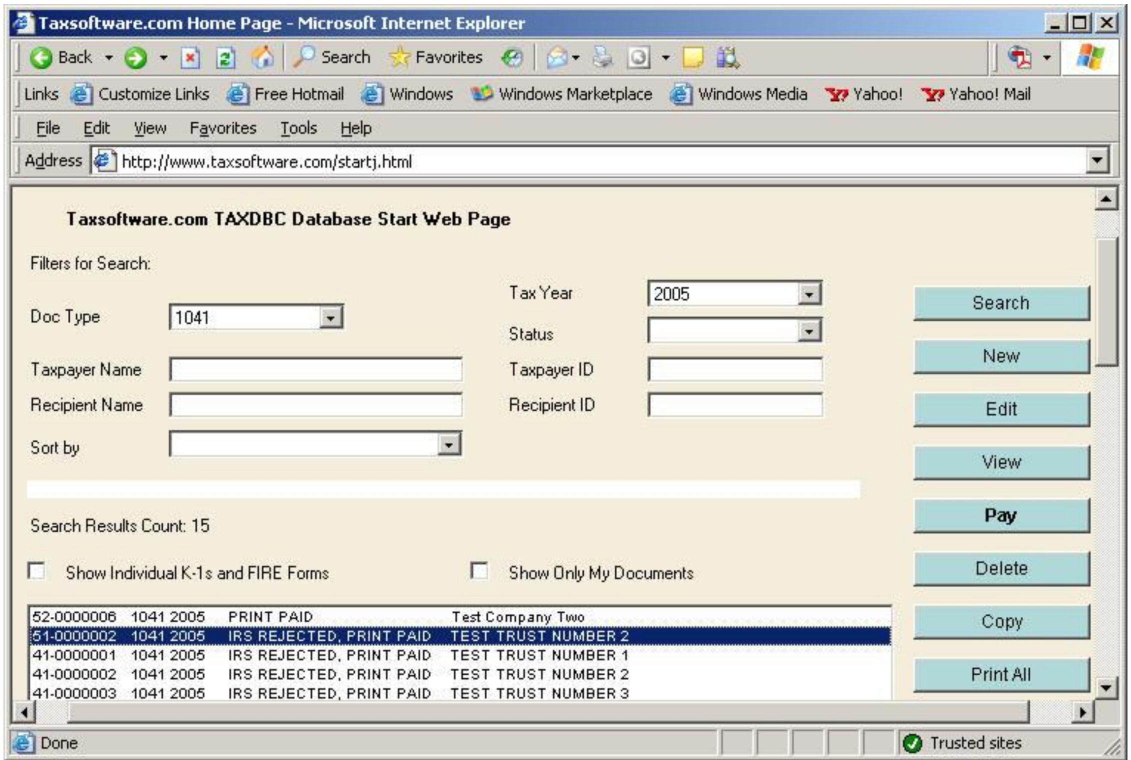
5. View—allows you to be in the “view only mode” so you cannot change any data.



6. Pay—allows you to mark a return as "paid for" from your e-services account, or use the pay per return pricing and pay by credit card. To use your e-services account, make sure to check the box on the Name and Address Page.



Then select the return to pay for and click on the PAY button.

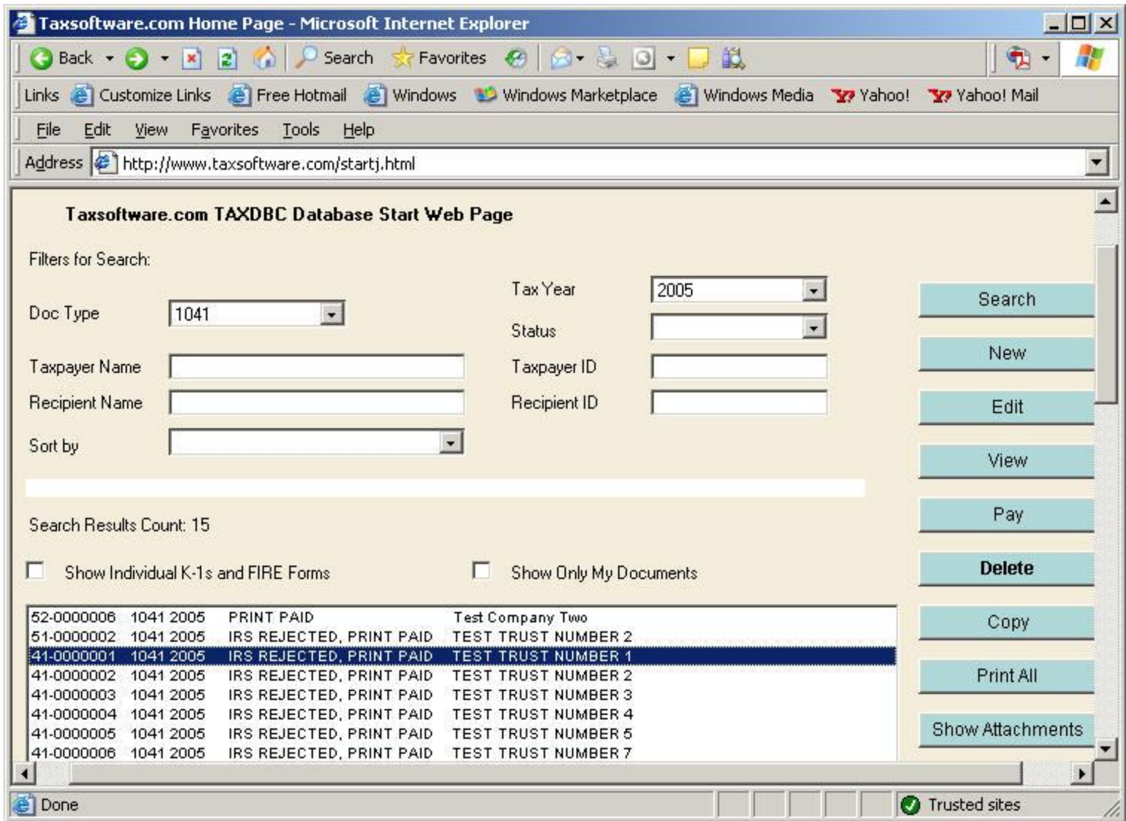


You may be asked to choose a digital certificate. If you have more than one, click on in and then say OK.

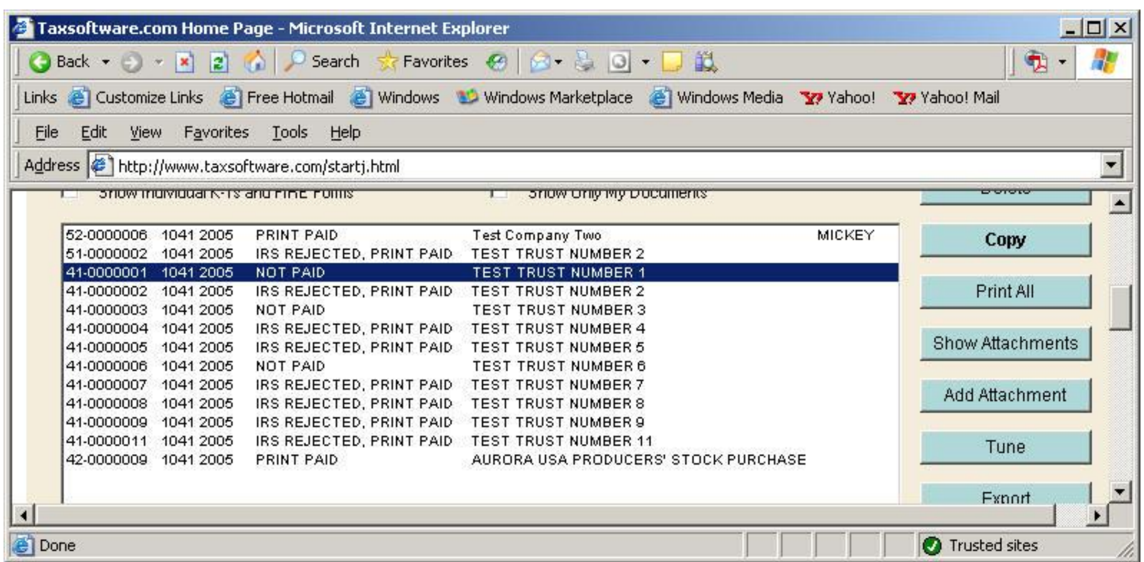
Your return will then show as paid.

For Batch Pay (paying multiple returns at time), click on Search and do not select any return. Click on the Pay button and then select the returns you want to mark as paid for. Click on the Pay button again.

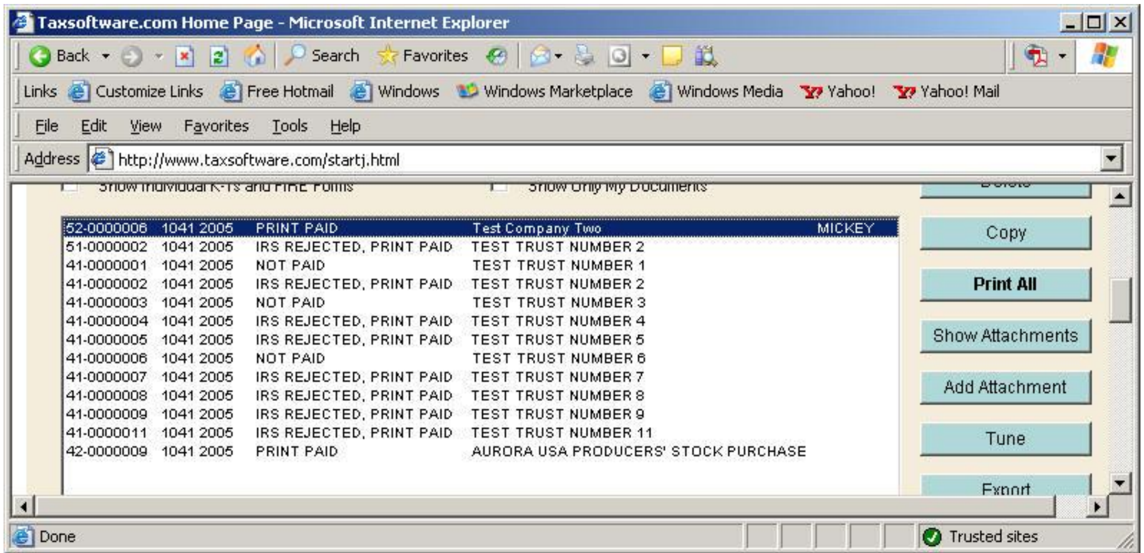
7. Delete—marks the tax return as "deleted" from the database, but leaves a copy of it in the database for future recovery.



8. Copy—makes a duplicate of any version of a tax return for separate editing and version control.

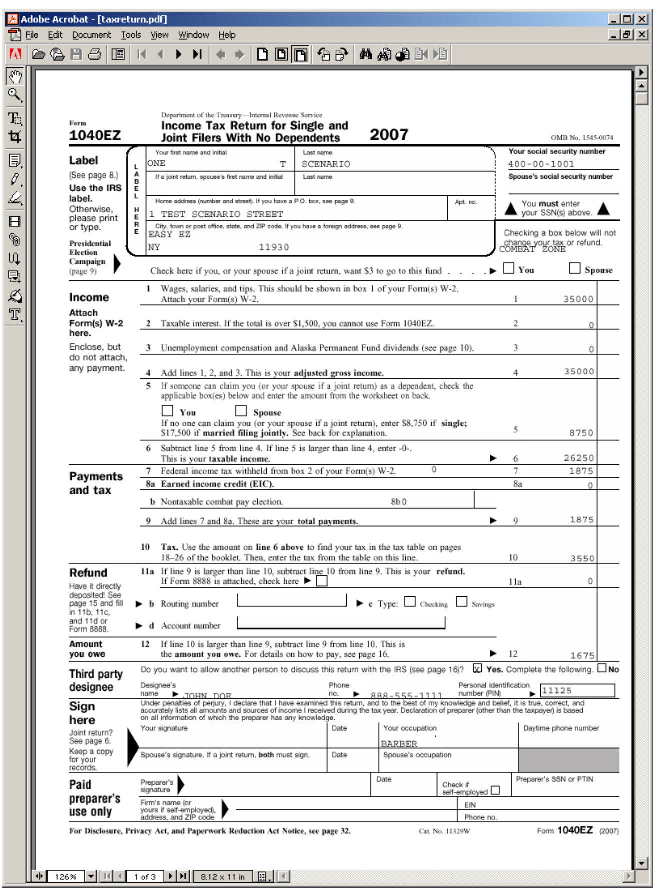


9. Print All—prints an entire tax return in PDF format except for the K-1s.



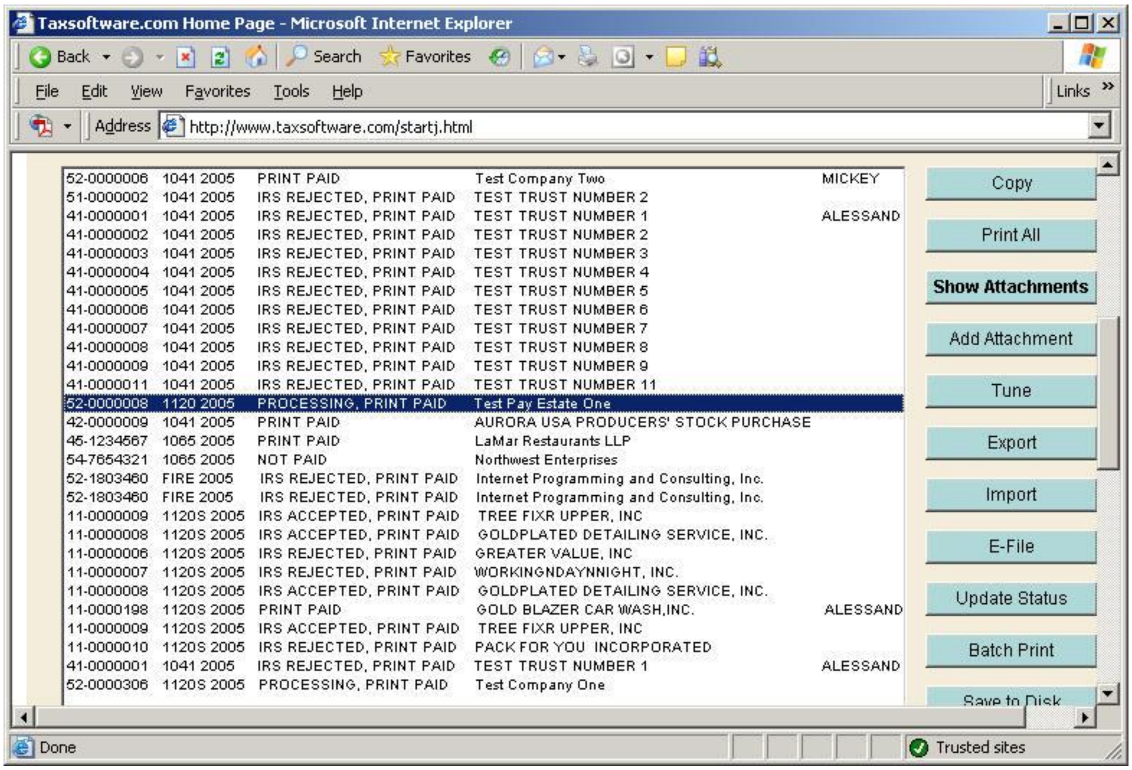
To print your PDF file, please make sure to follow the instructions in the

http://www.taxsoftware.com/adobeprinterdialog.html

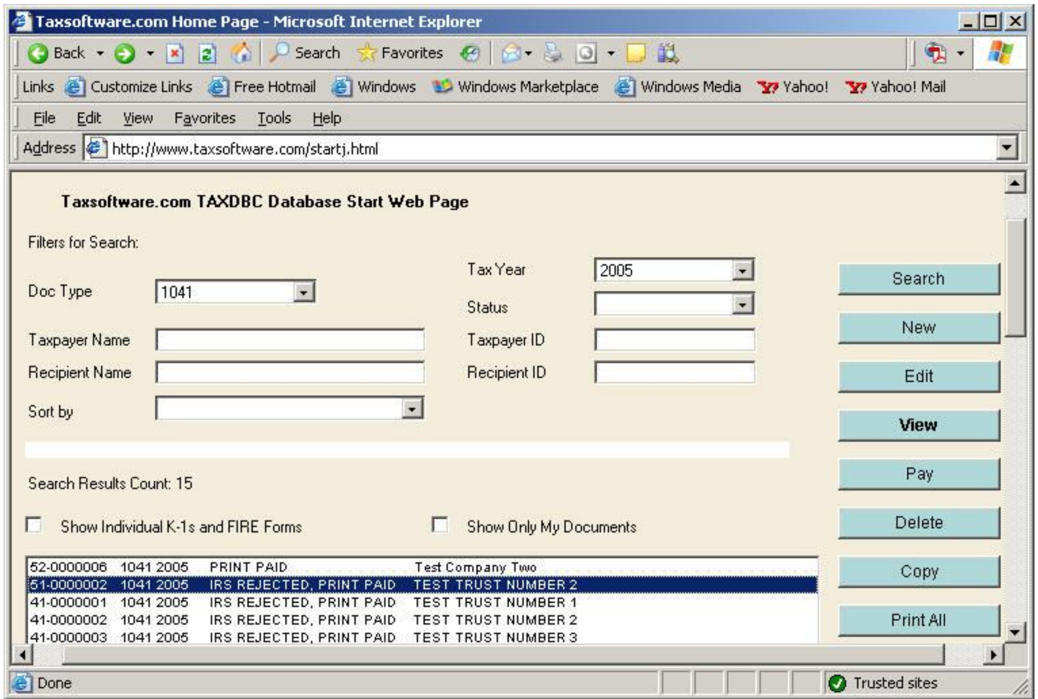


For Batch Print All (printing multiple returns at a time), click on Search and do not select any return. Click on the Print All button and then select the returns you want to print. Click on the Print All button again. This process can take a while depending on how many returns you select at a time.

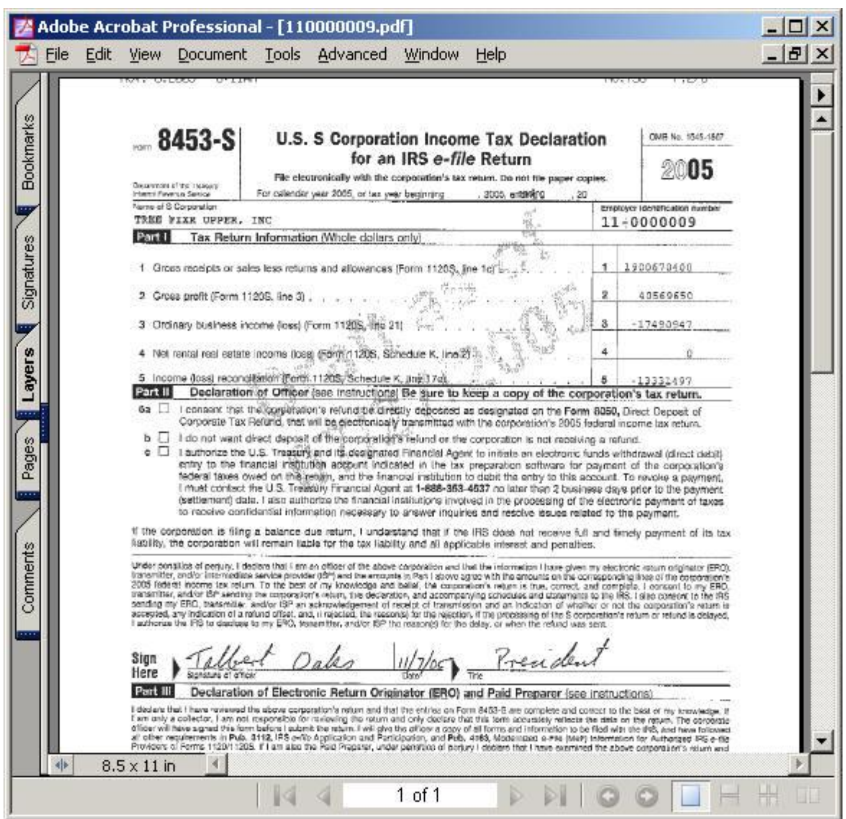
10. Show Attachments—shows all scanned images and other documents attached to the tax return for editing or removal.



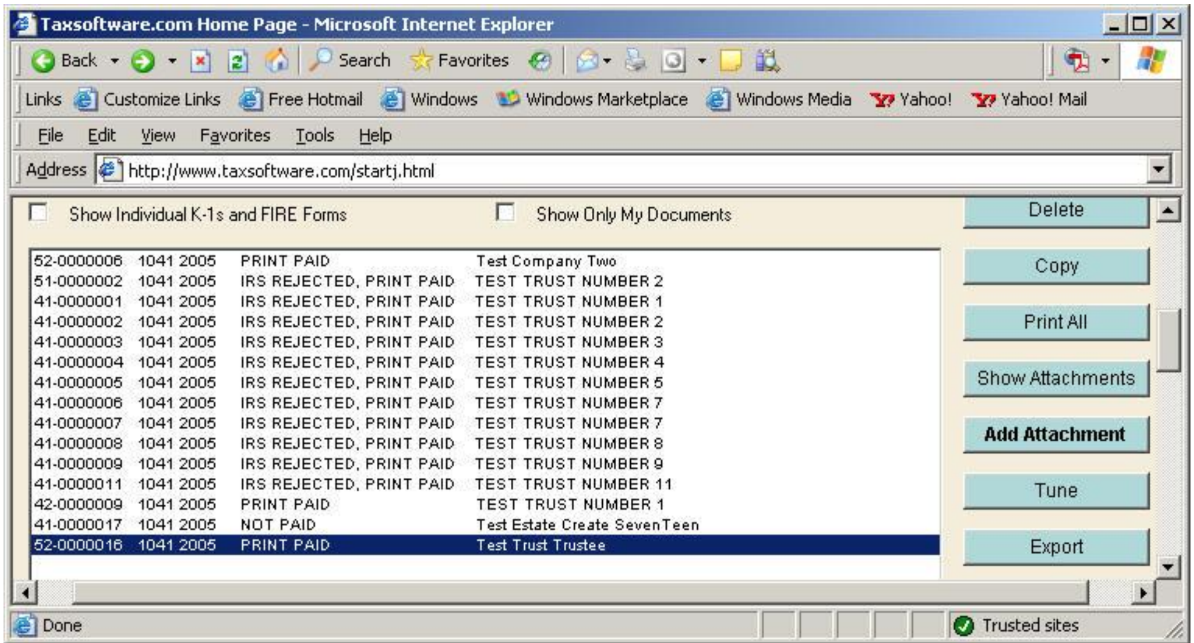
After clicking on Show Attachments, all the attached documents will show up. To view them, select the file and click on VIEW.



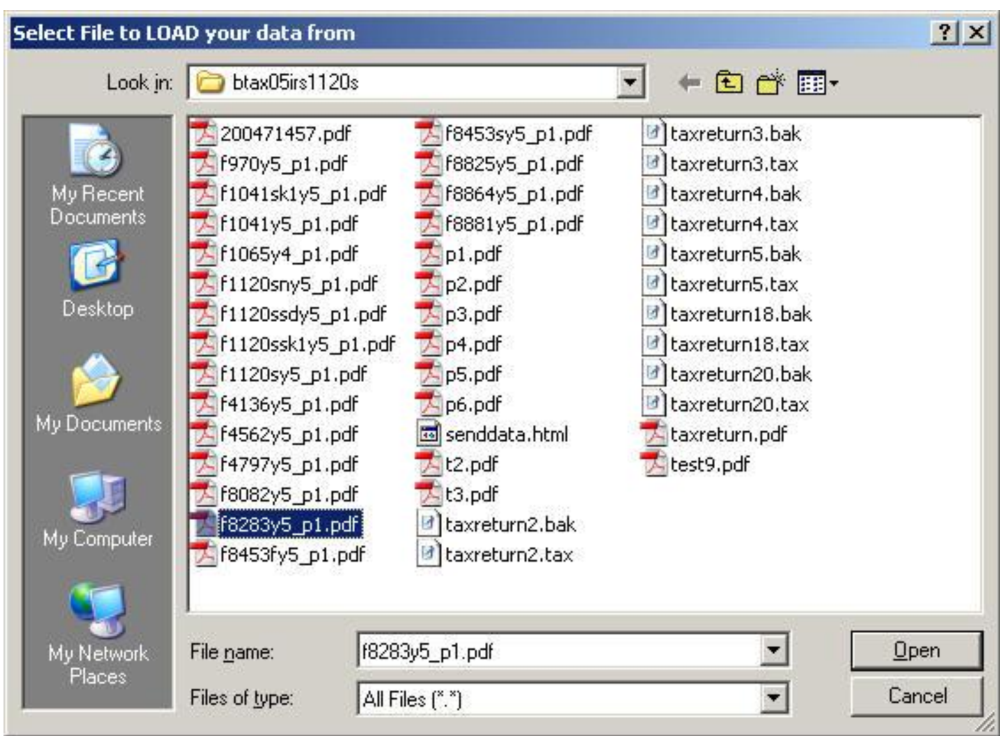
The attachment will show.



11. Add Attachment—adds a scanned image or other document to a tax return.

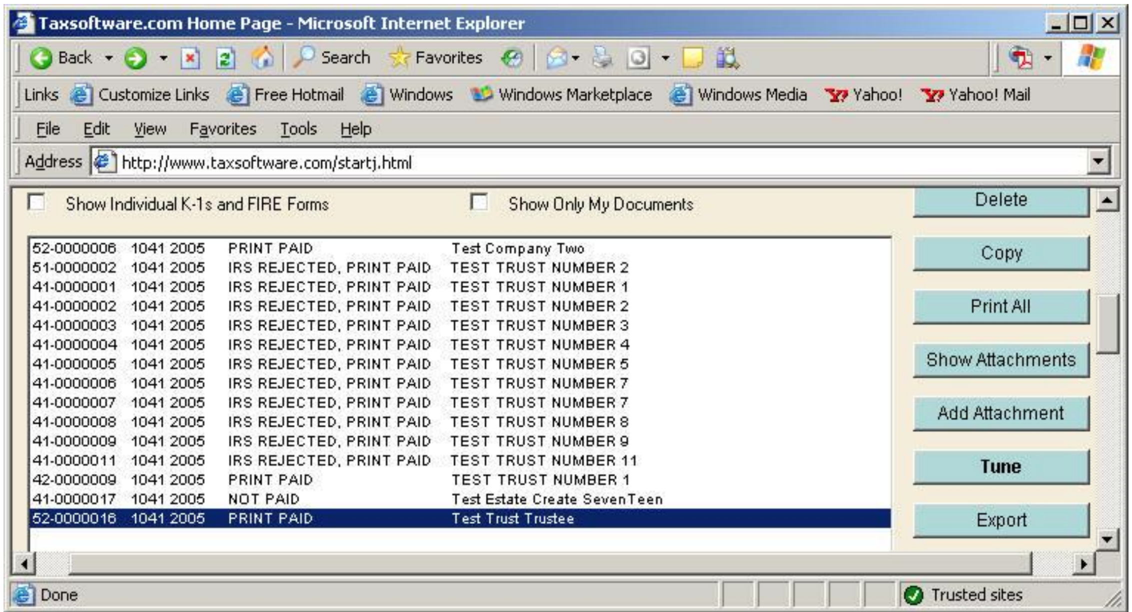


Select a file to attach from your computer and click on Open.

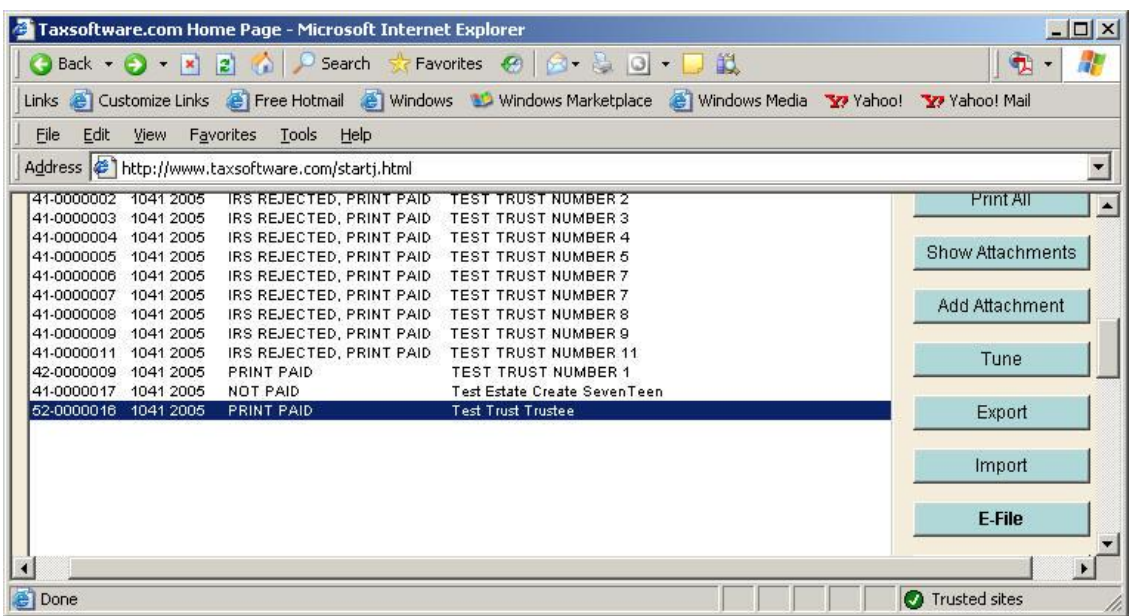


The file will be attached to your tax return.

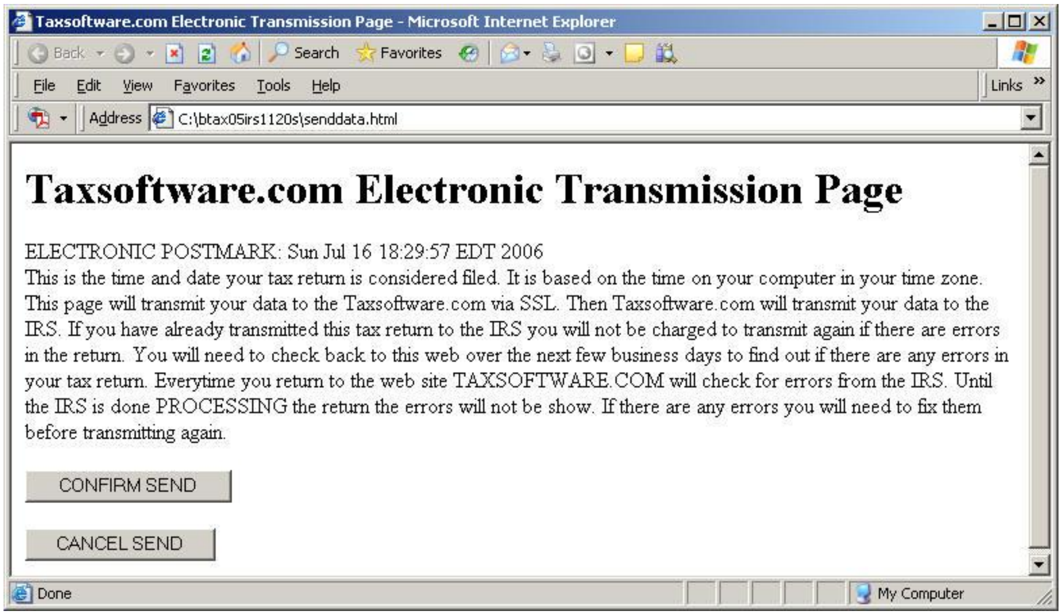
12. Tune—analyzes the performance of the database and makes adjustments as required.



13. Export—copies the data into a CSV format for use outside the database. Please detailed explanation at the end of this manual.
14. Import—allows you to import data from a CSV file into the database. Please detailed explanation at the end of this manual.
15. E-file—electronically transmits your tax return to the IRS and states using SSL and AES encryption. Select the return that you wish to e-file and click on the E-file button.



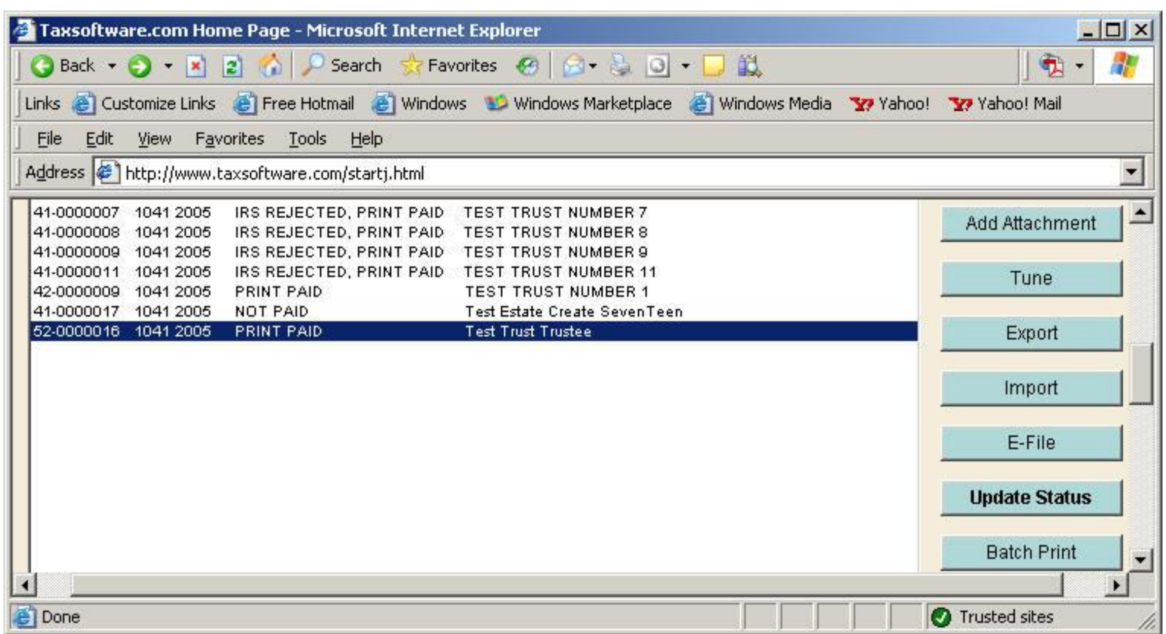
Click on Confirm on the next screen and wait a few seconds.



You will be notified by e-mail of the status of your e-filing.

16. Update status—checks the latest status of your tax return.

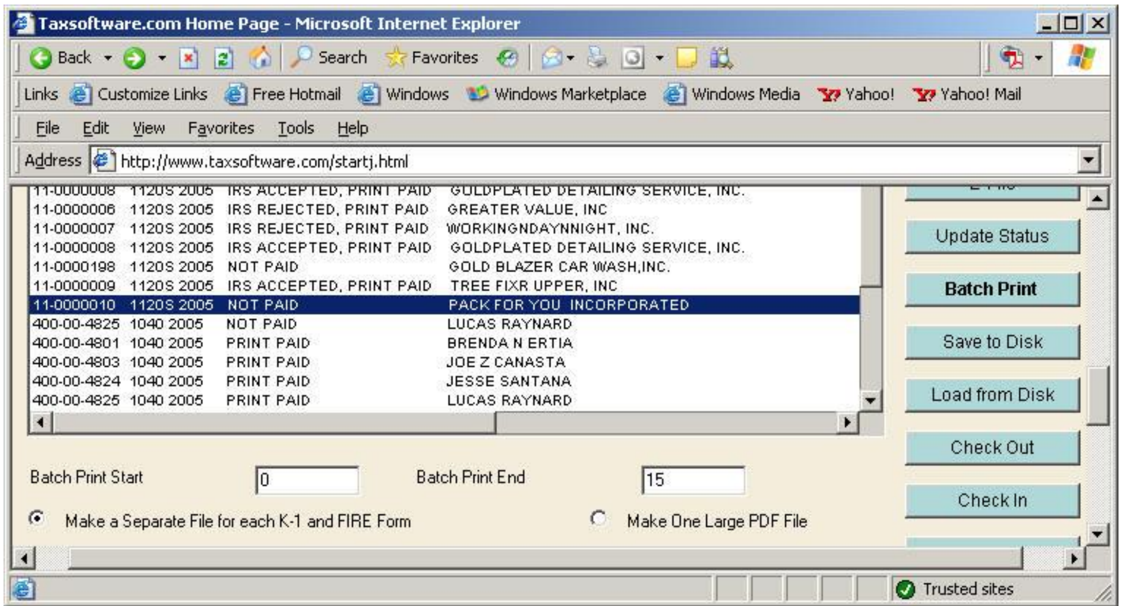
Just select a tax return and click on the button to update the status of the tax return, from Not Paid to Paid, from Rejected to Accepted, etc.



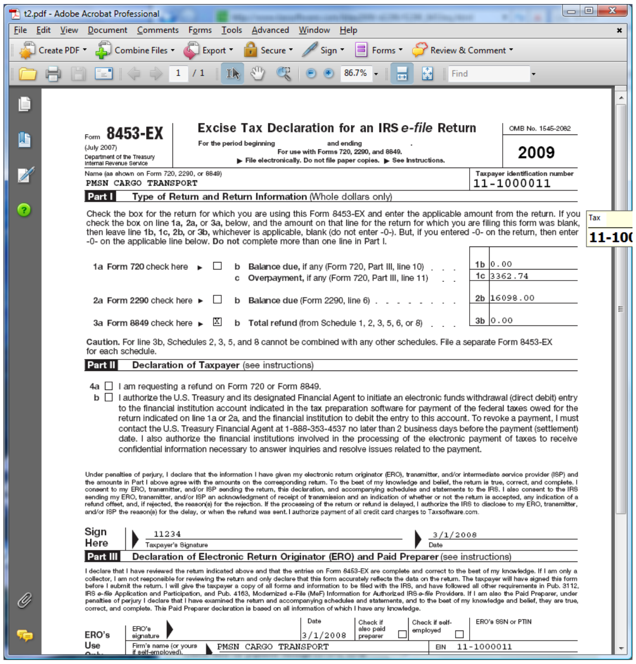
17. Batch print—prints just the select K-1s or 1099s, as separate files or one big file.

Select the return you want to print. For Separate files, just click on the Batch Print button.

If you select the option to make one large PDF file, you can also select which forms to print. If you leave the Batch Print Start and End boxes blank, all the forms will be printed. To select forms, just enter a start and an end number on the Batch print boxes below the list box.

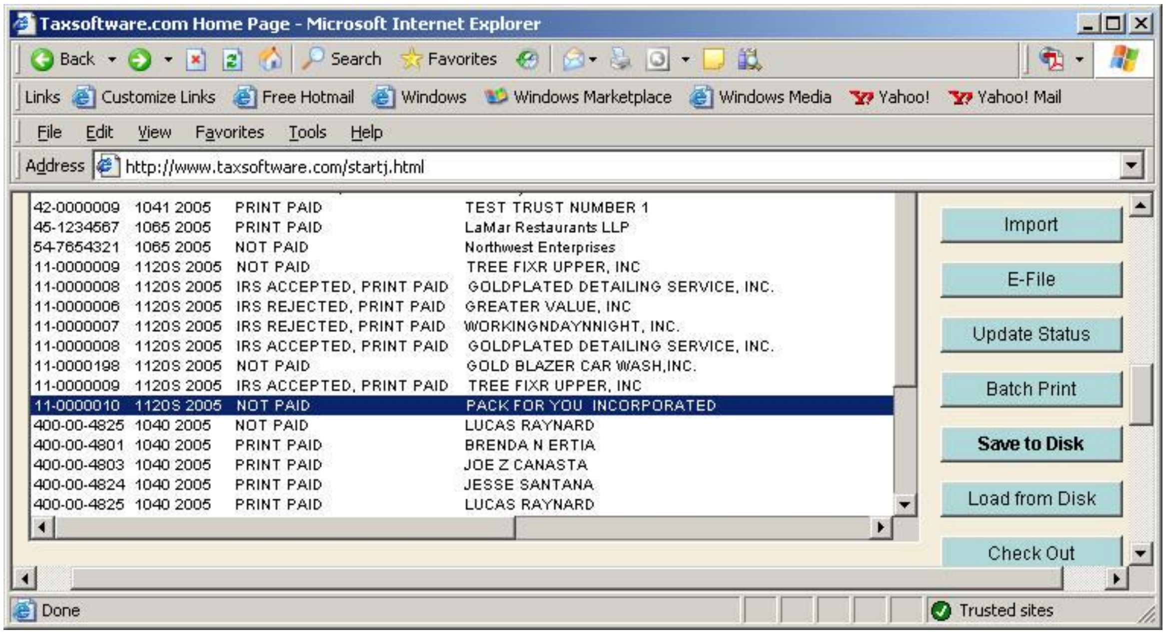


A PDF file will pop up with on your screen with all the forms you selected.

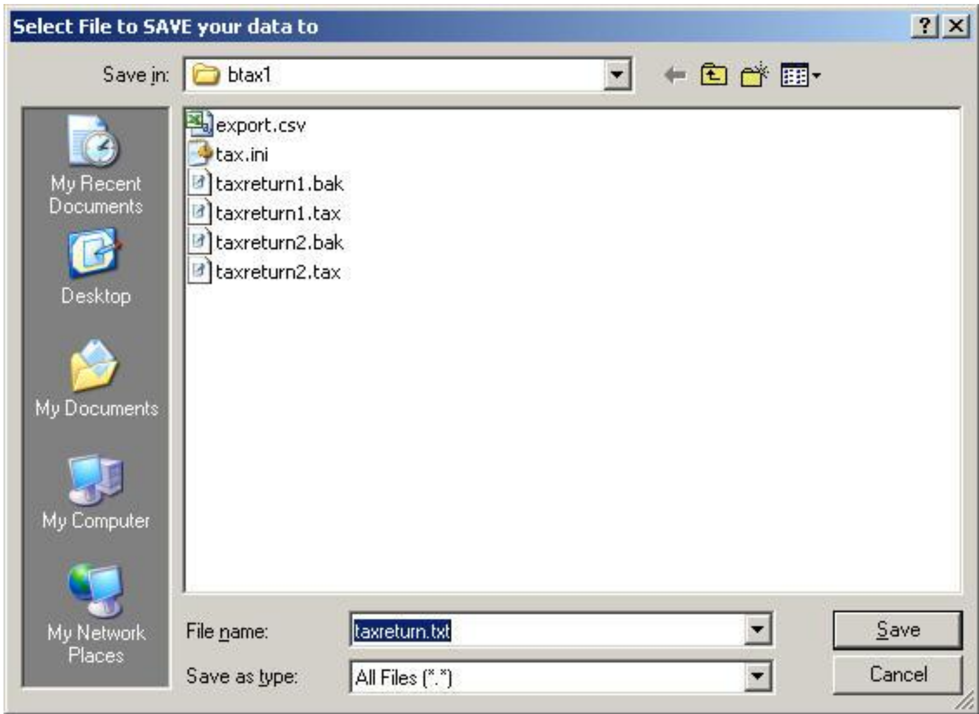


18. Save to disk—saves your data into a disk or other removable media using AES encryption.

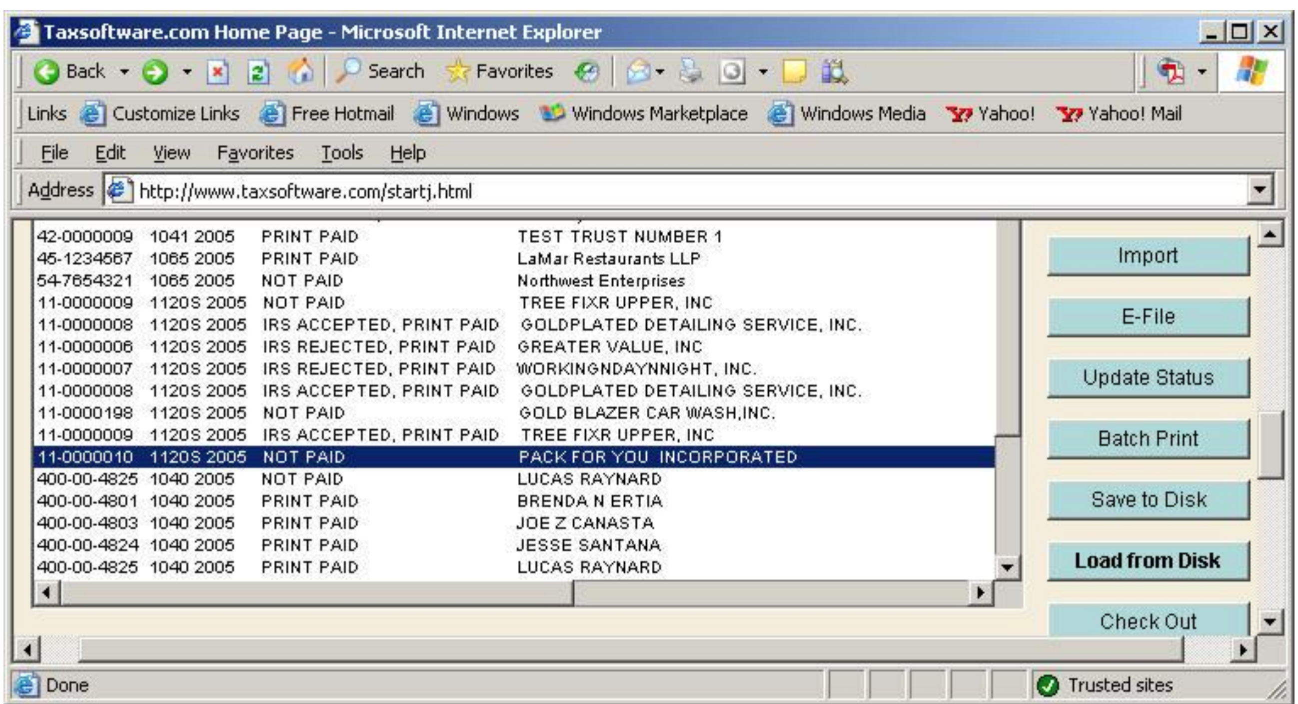
Select a tax return and click on the Save to disk button.



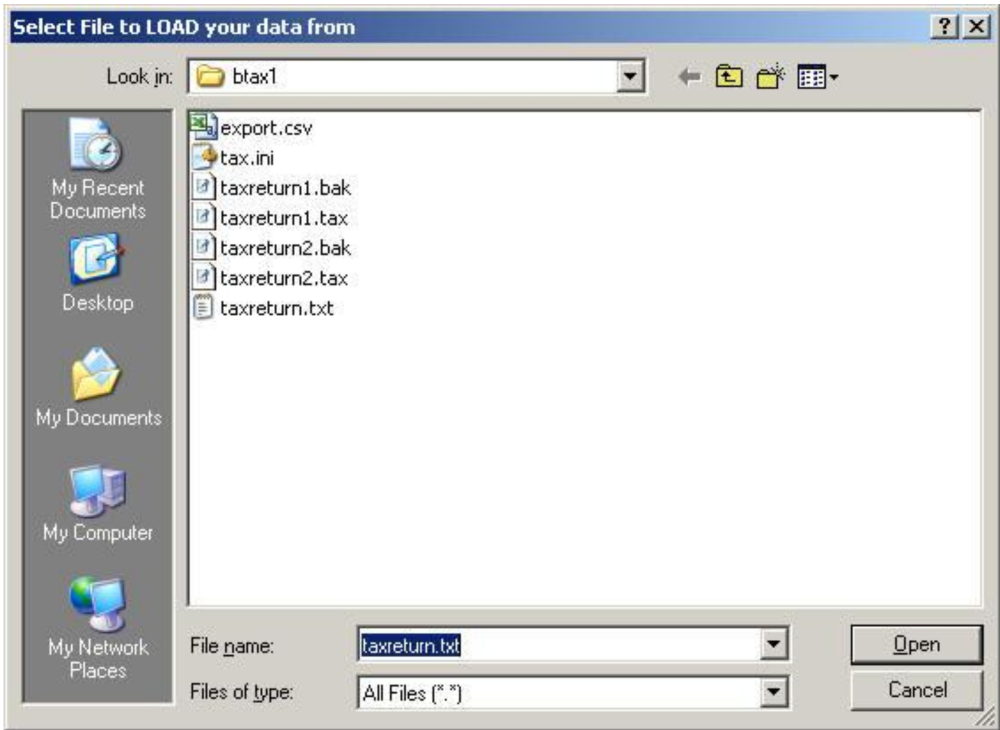
You will be able to choose where to save the file.



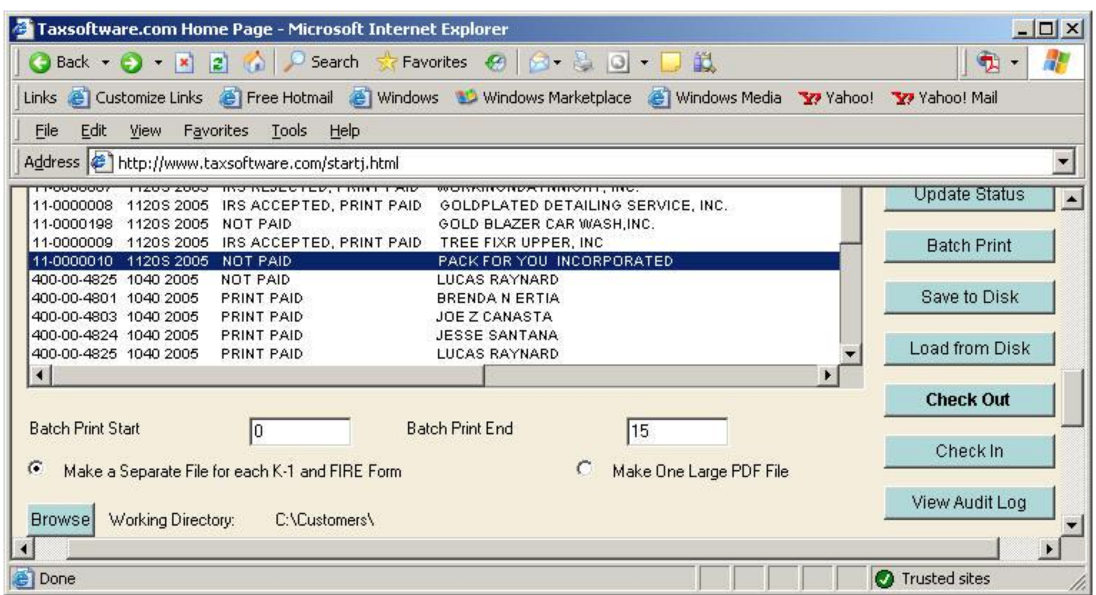
19. Load from disk—loads a file that was saved by another Taxsoftware.com user into your database.



Load a return previously saved in your computer or database.



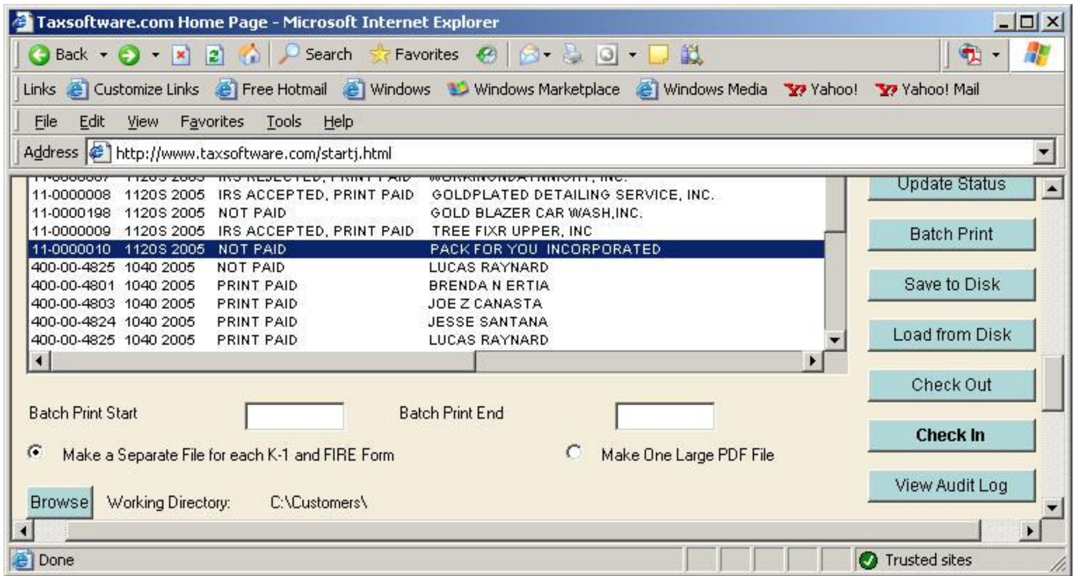
20. Check out—allows the user to exclusively edit the tax return, until checked back in.



Your document will automatically be checked out when you use the Edit mode.

For Batch Check Out (checking out multiple returns at time), click on Search and do not select any return. Click on the Check Out button and then select the returns you want to Check Out. Click on the Check Out button again.

21. Check in—allows other users to edit the tax return or attached documents and saves any changes made in the audit log by the user.

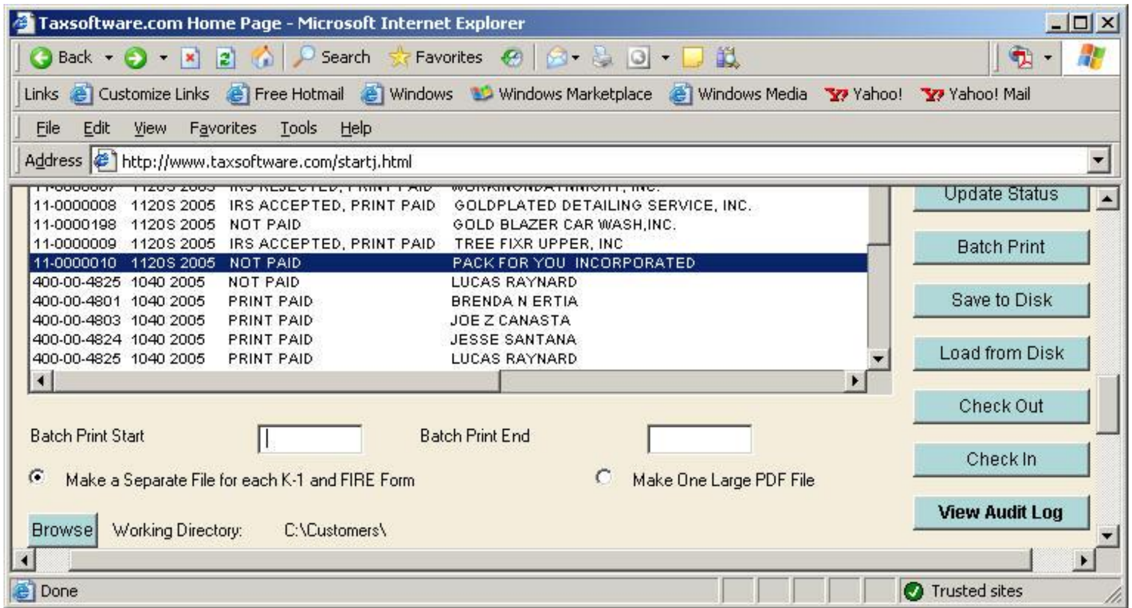


Make sure to check in all the documents you have edit to save the most recent changes.

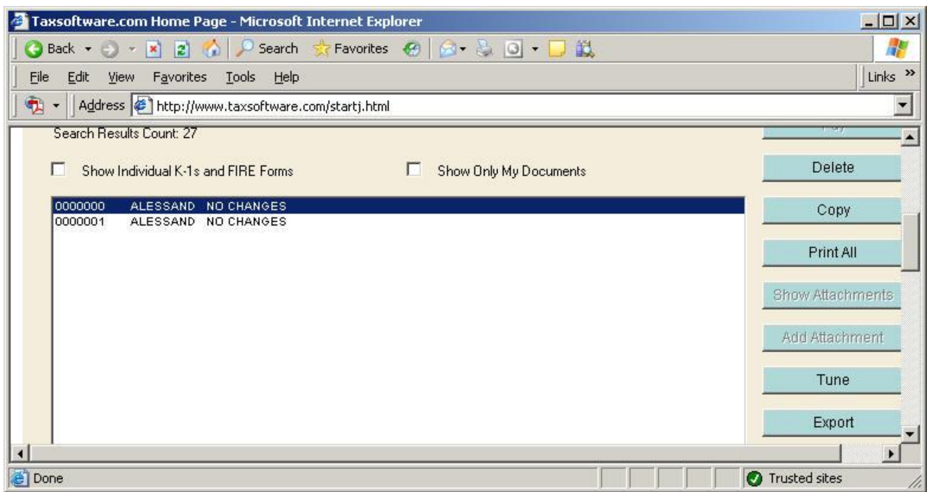
For Batch Check In (checking in multiple returns at time), click on Search and do not select any return. Click on the Check In button and then select the returns you want to Check In. Click on the Check In button again.

22. View audit log—shows all versions of a tax return or attachment by user and date checked in, and allows you to view or copy an old version.

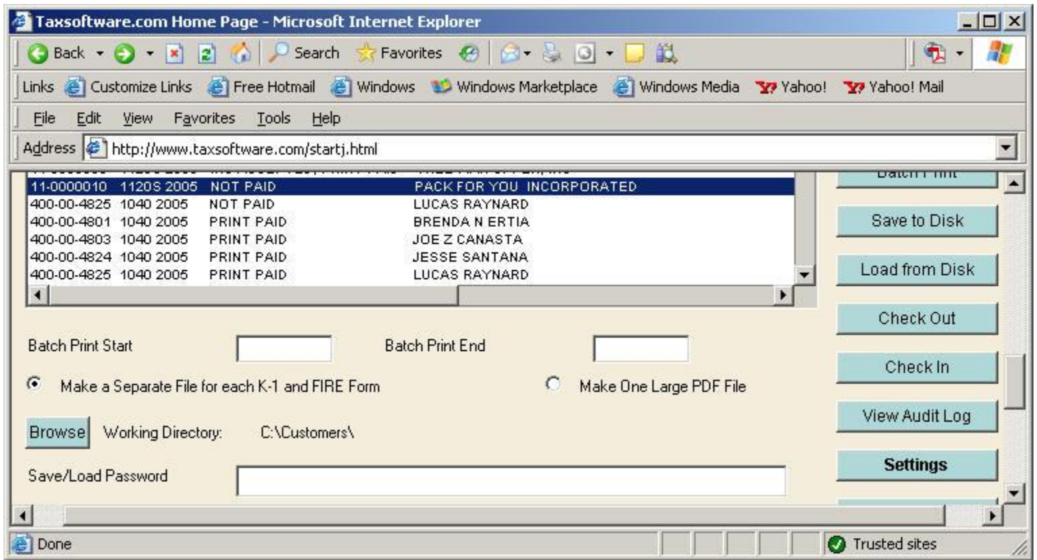
Make sure the tax return is checked in before you click on the View Audit Log button.



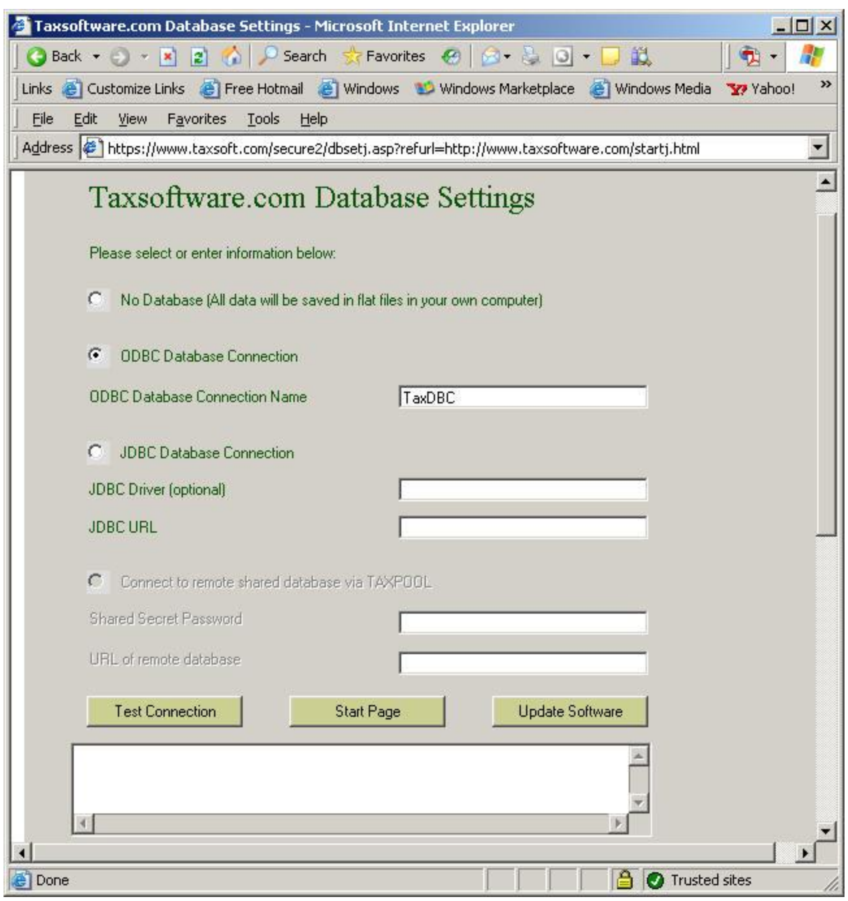
The audit log will list all the versions of the same tax return. you can Edit or use any of the functions of TaxDBC just be selecting on of the versions.



23. Settings—allows you to set up your TaxDBC system.



Make changes to the Settings page according to your internal database system. Please make sure to click on Update Software periodically to get the latest changes.

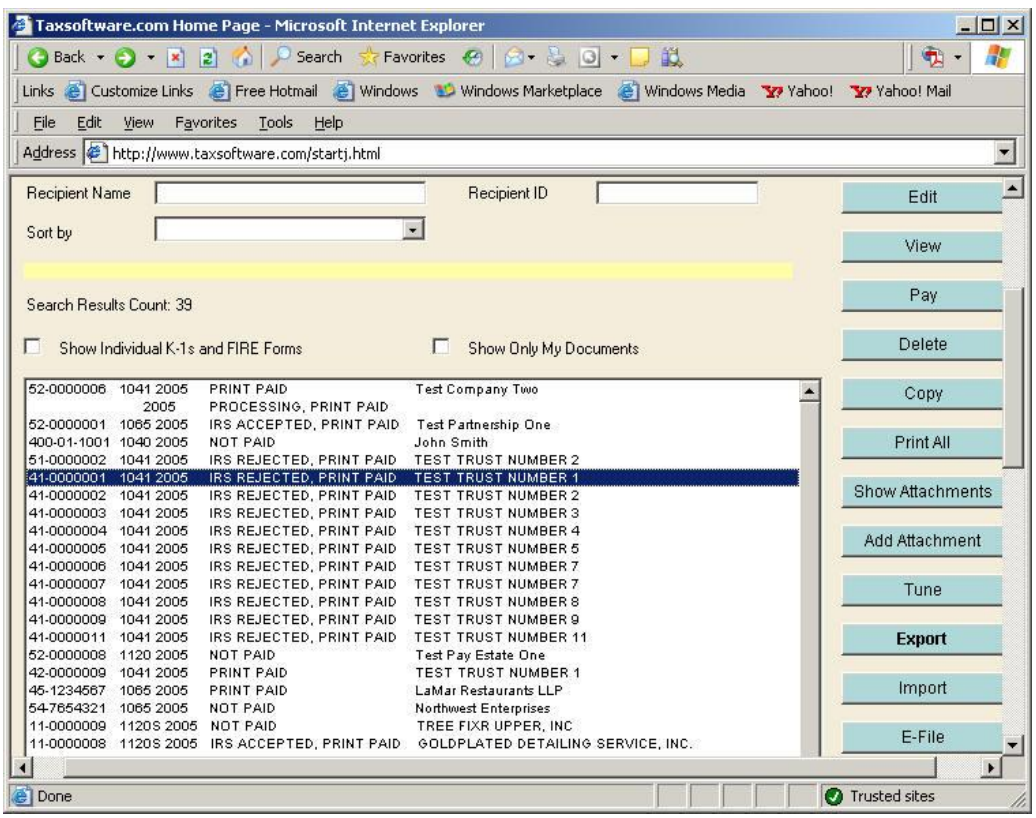


24. Help With Buttons—will take you directly to this page.

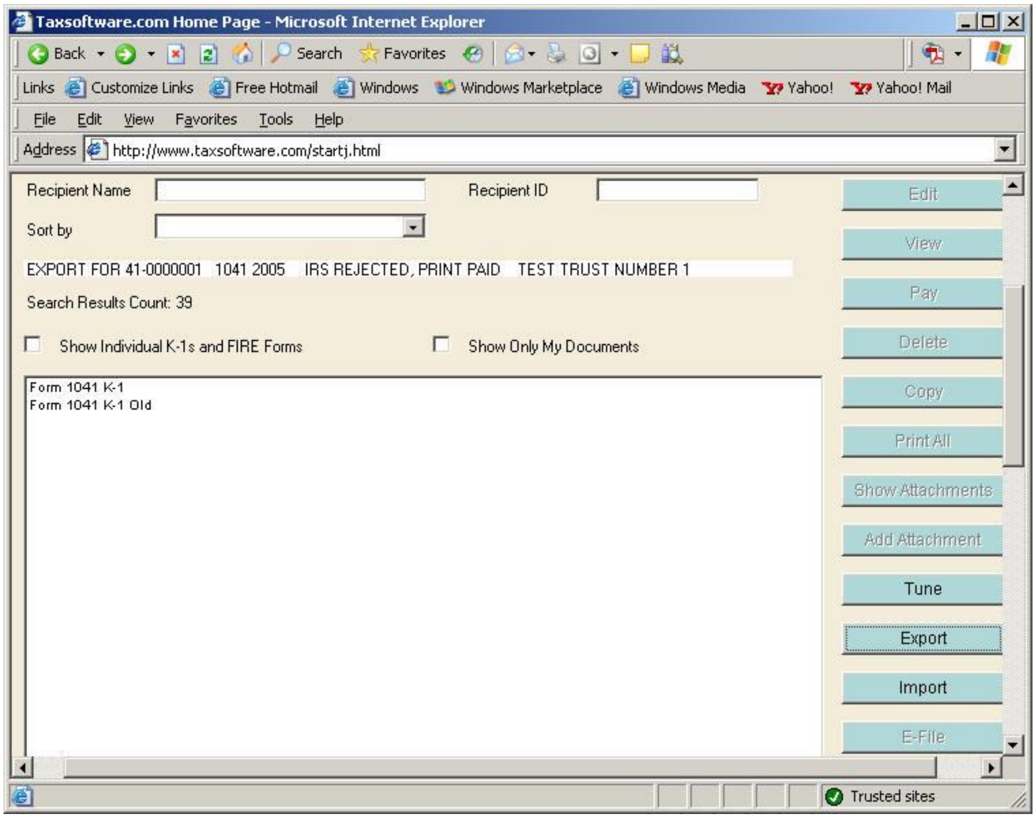
Export/Import Function Details

Option 1: For one specific tax return (exporting K-1s and 1099s to create a template and then importing the file back to the same tax return).

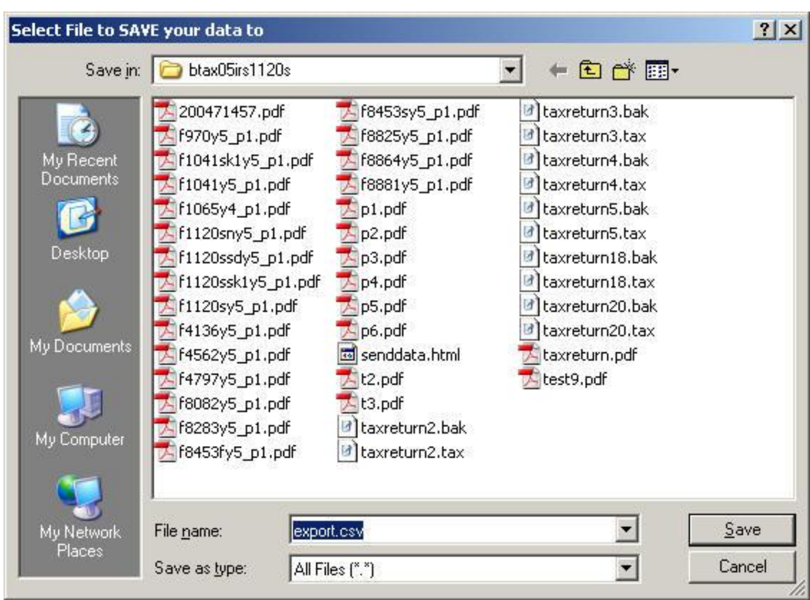
1. Select the return and click on the Export button.



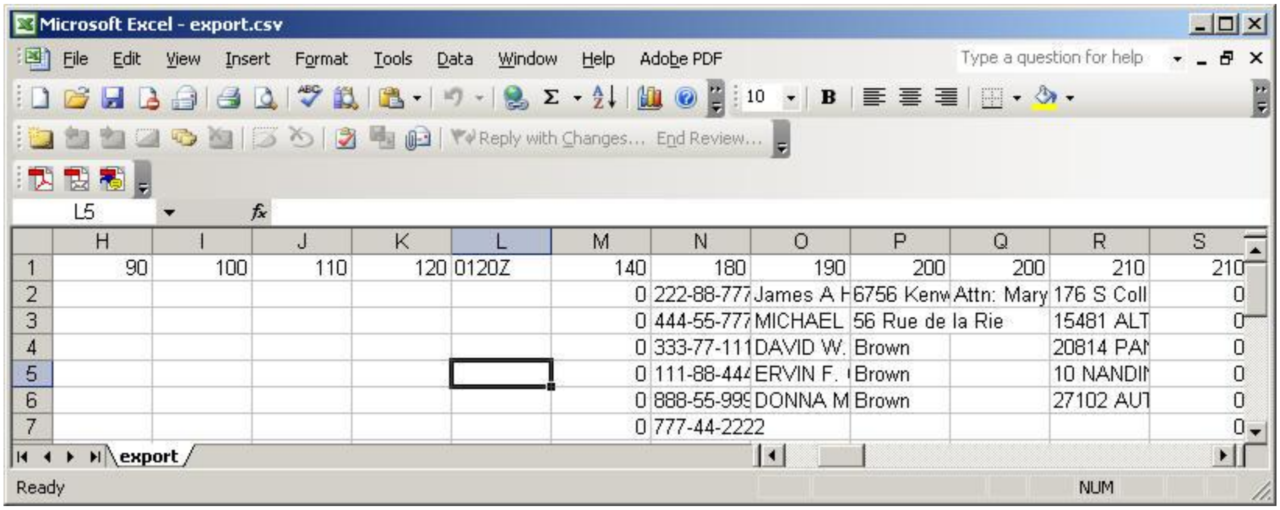
2. Click on the file shown inside the box.



3. Name the file and save in your hard drive. If you change the name of your file make sure to add the .csv extension to it.



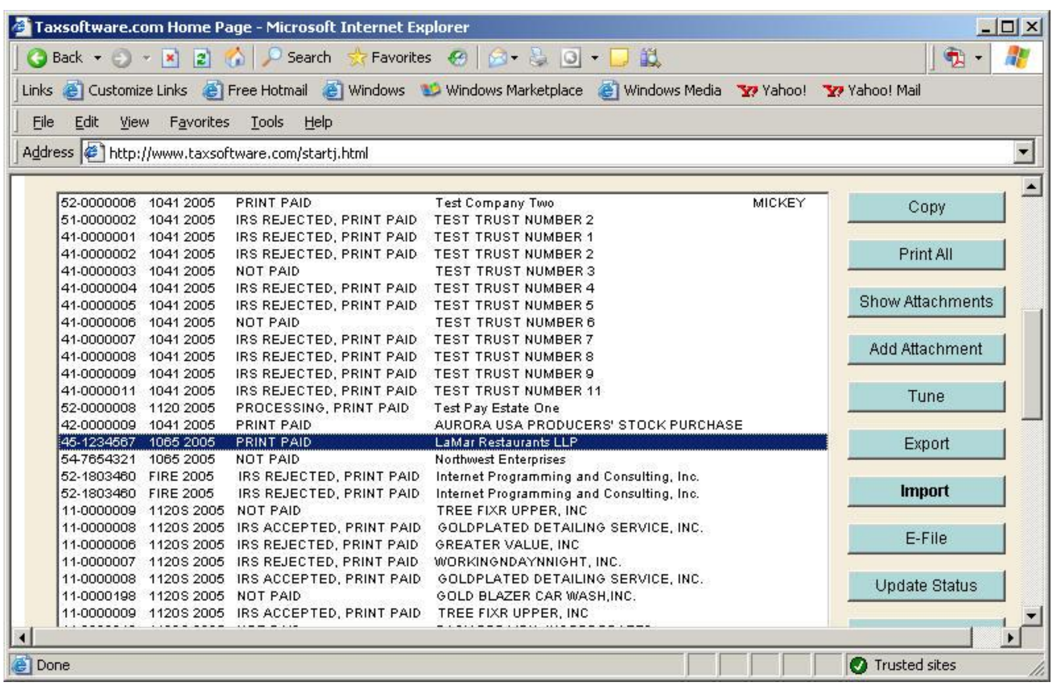
4. An Excel file will be created with the line codes for the forms you are using on that particular tax return. You can edit the spreadsheet, add or delete any information you want. Save the information before closing the spreadsheet or using the Import function.



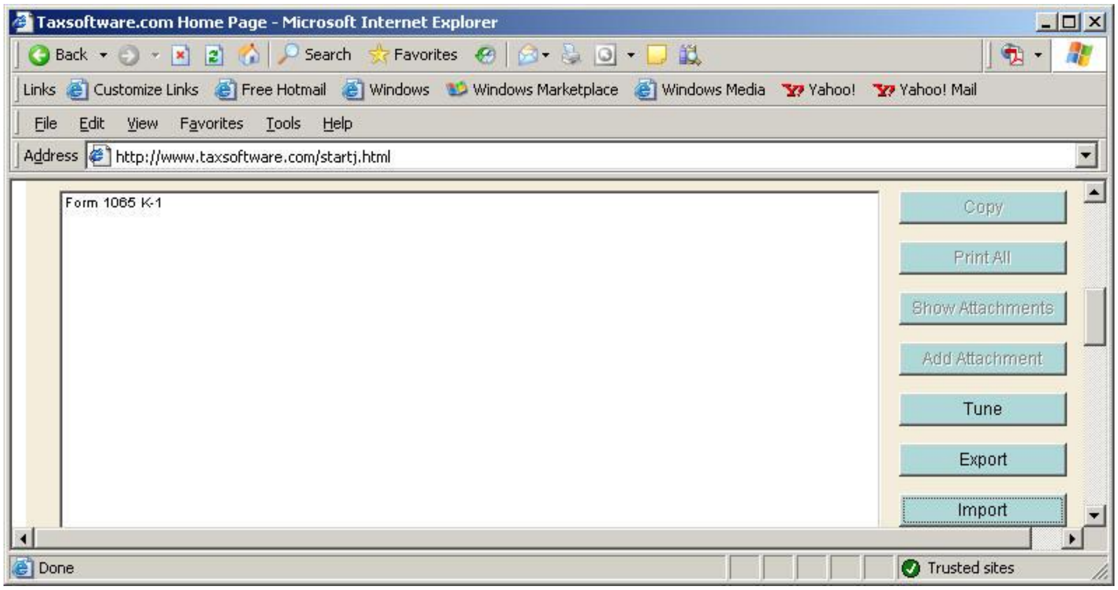
For more details or line codes for other forms, please request an electronic copy from Taxsoftware.com.

5. Use the spreadsheet to add information and Import back to the database.

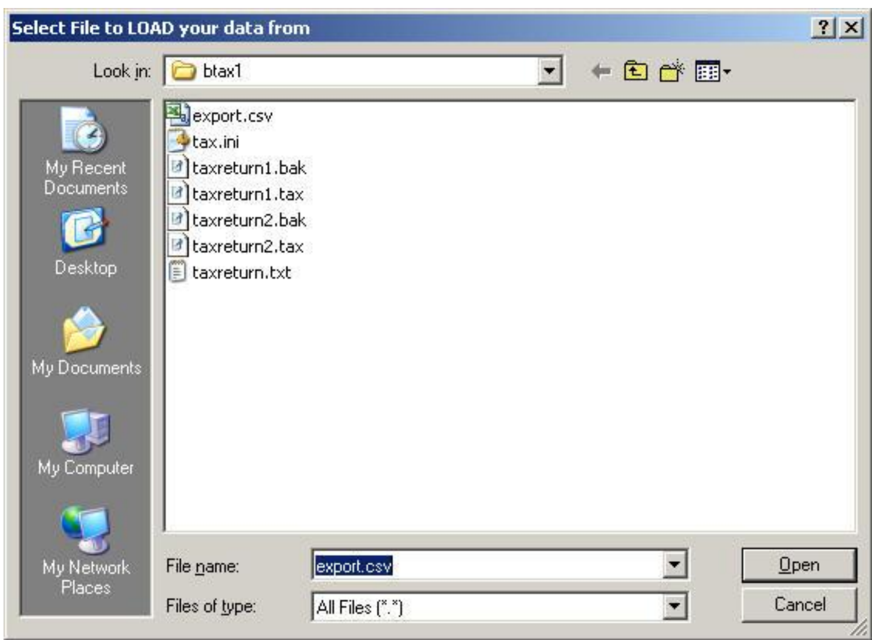
Select a return and click on the Import button.



6. Then click on the forms you are importing.



7. Select the CSV file you are loading from and click on open.

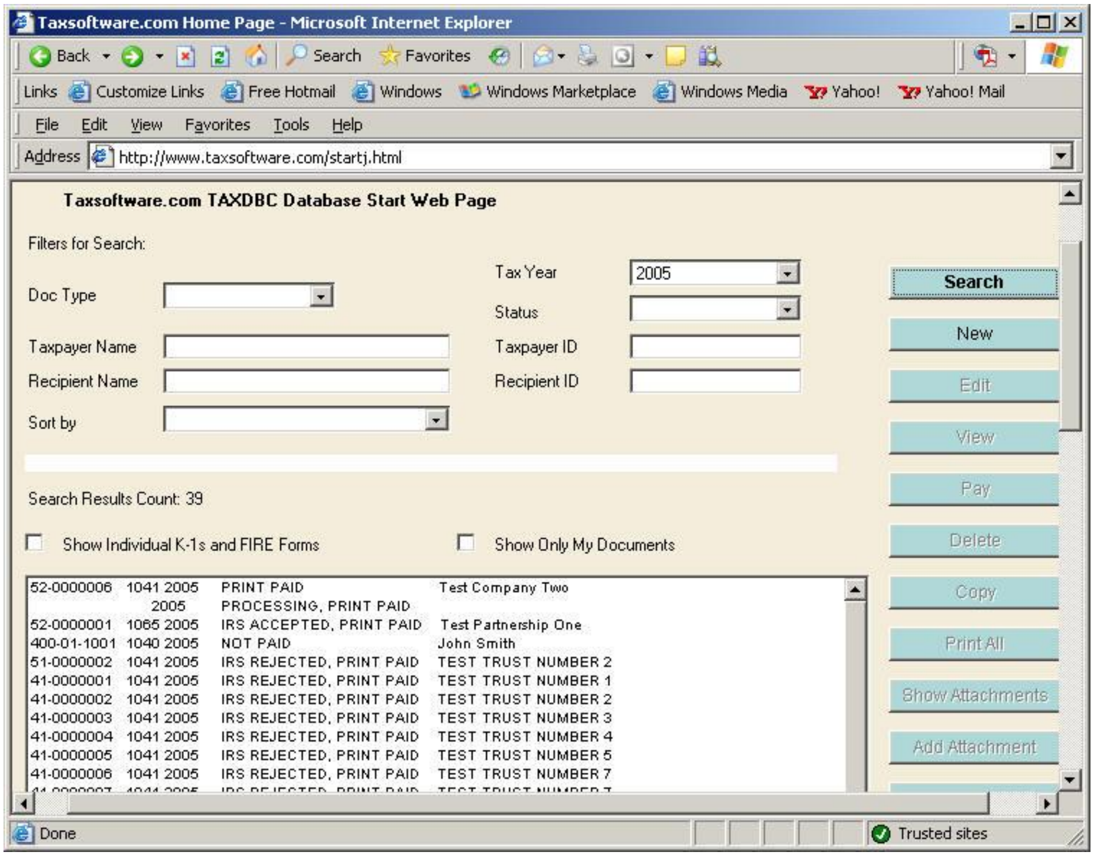


8. Go back to the Edit mode for that return and you will see all the information added to your tax return.

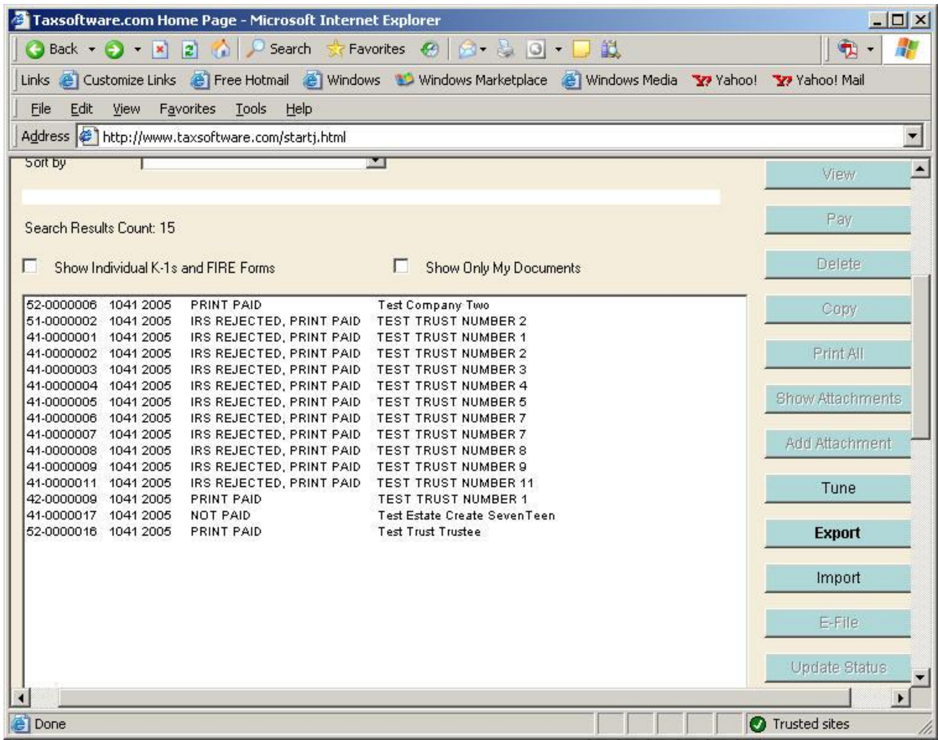
Option 2: Multi-tax return Export/Import. (Exports a whole series of tax returns from different taxpayers. This lets you Export many returns at the same time).

Exporting

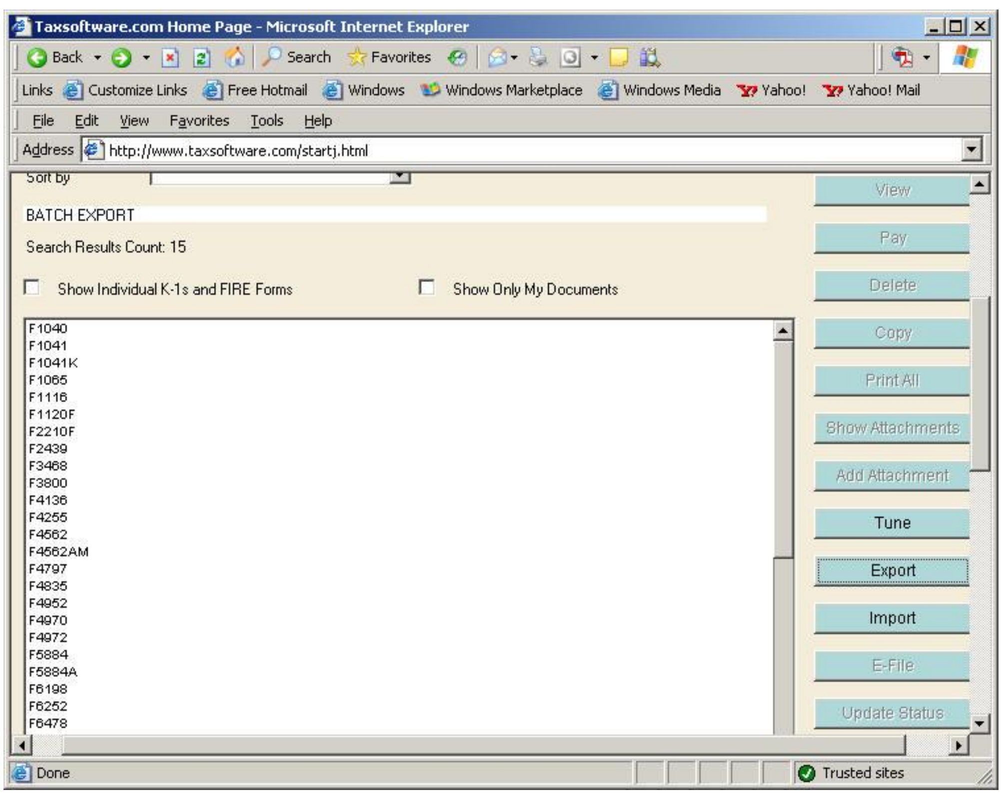
1. First select the returns to export using the SEARCH function.



2. When all of the tax returns to be exported are shown in the search window click on Export. Do not select any specific tax return if you wish to export data from all tax the returns in the window.



3. Then a list of different form types will be shown so you can select the type of forms to export. For example, to get just the Form 1041 form types click on the Form 1041 in the list.

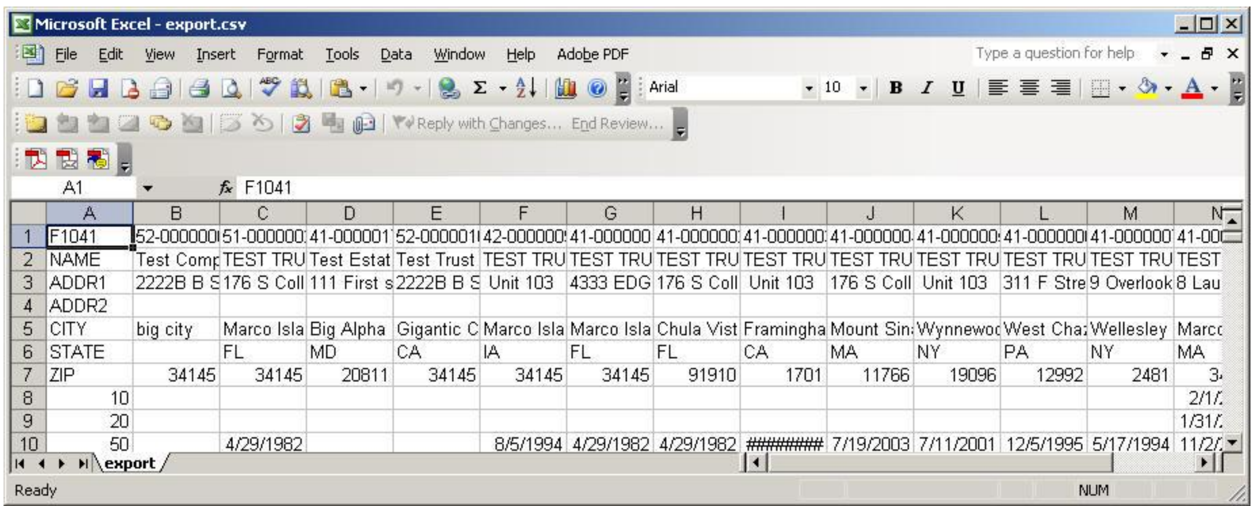


4. Save the spreadsheet file in your computer. If the file doesn't pop up, just go directly to the location where your file was saved and double click on it.

Each column will correspond to a tax return where the header is the EIN. Each row corresponds to a line from the tax return.

The SSN or EIN numbers of each taxpayer will be across the top of the export file. Each row is one line code from the tax forms. Rows 2 to 7 will be given "universal" names to the line codes. The codes are NAME, NAMECONTROL, ADDR1, ADDR2, CITY, STATE, and ZIP. These rows must remain named like that for the import back to work.

Please check for a list of line codes at www.taxsoftware.com or request a line code list at help@taxsoftware.com

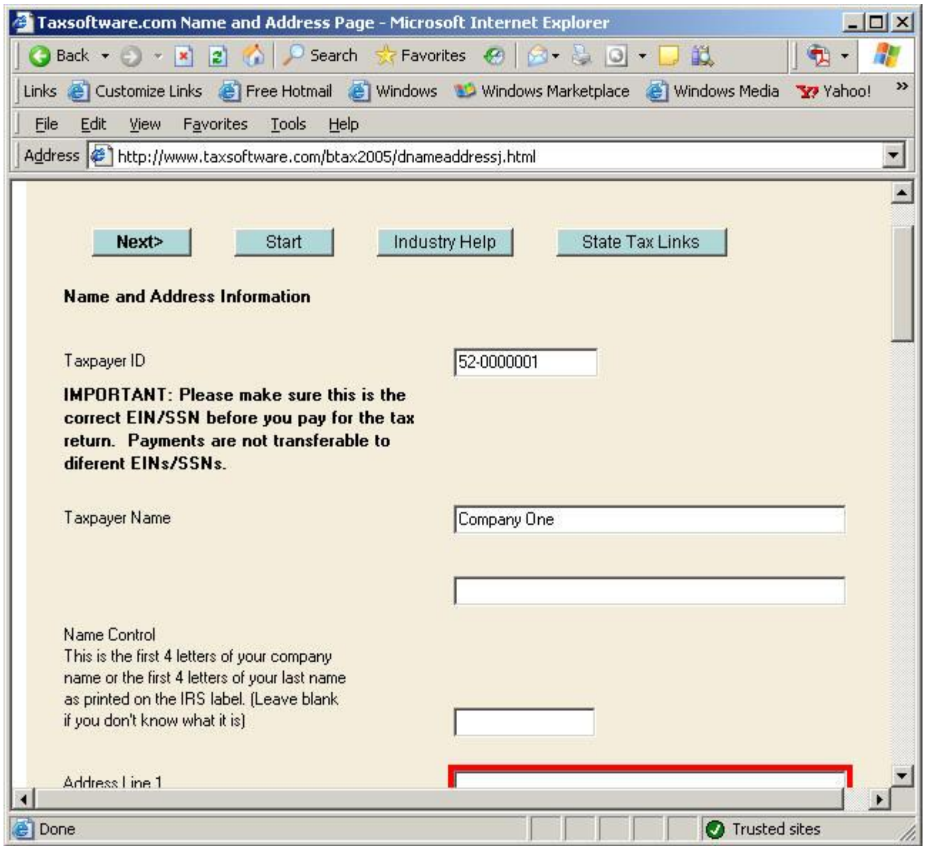


5. Use the spreadsheet to edit and/or add information and Import back to the database.

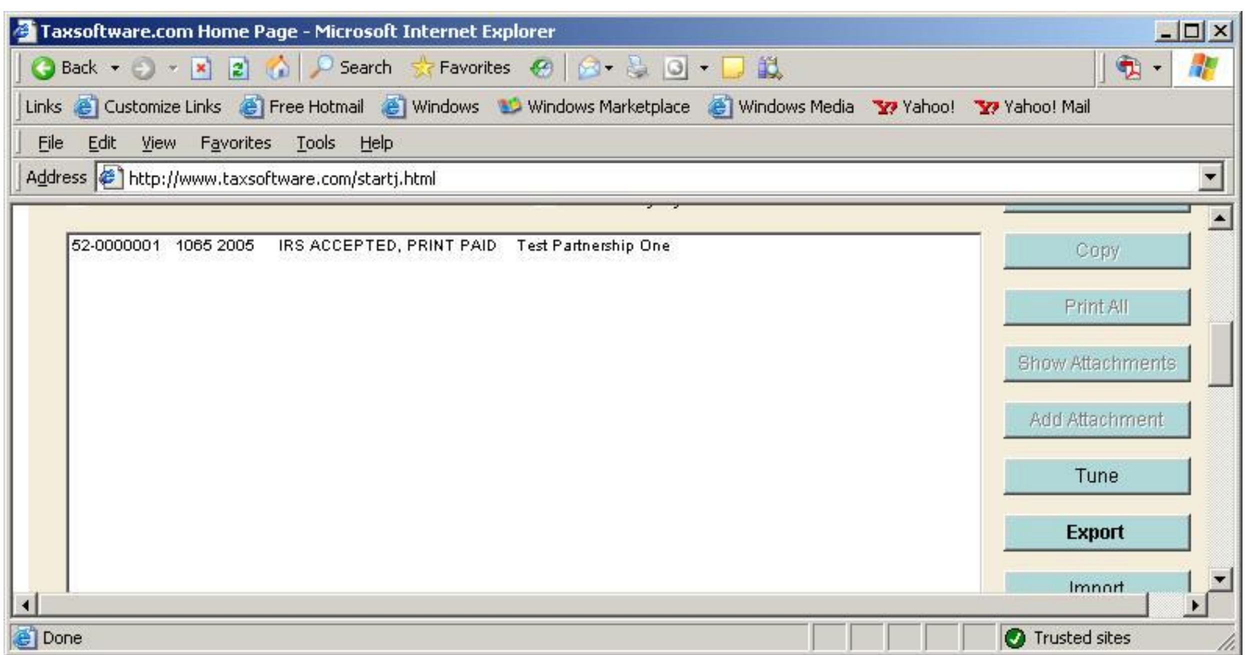
Creating a Template

When you use the Export/Import feature, it is easier to create a template as a CSV file so you can enter your data.

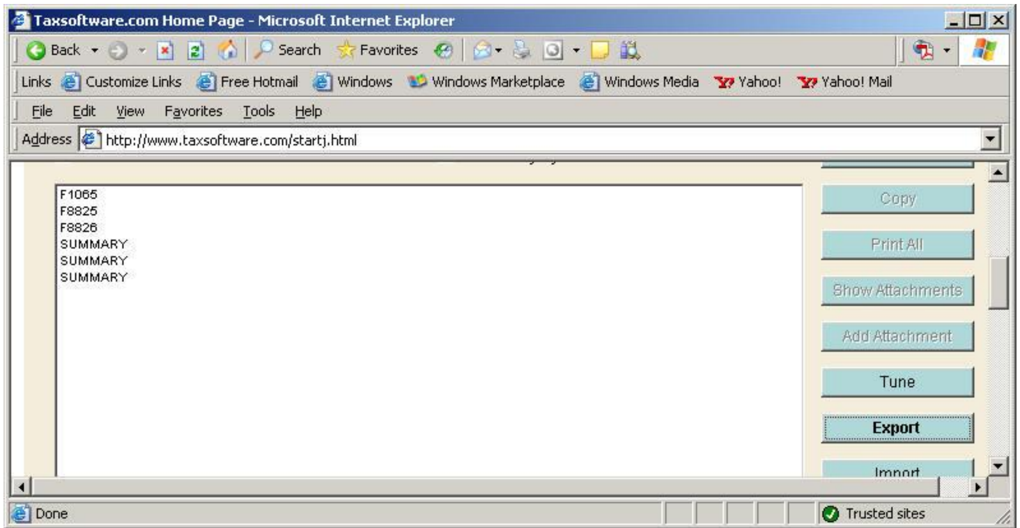
1. To create a template for future importing, please just enter one tax return manually in the software.



2. Make sure you do not select the file when you click on the Export button.

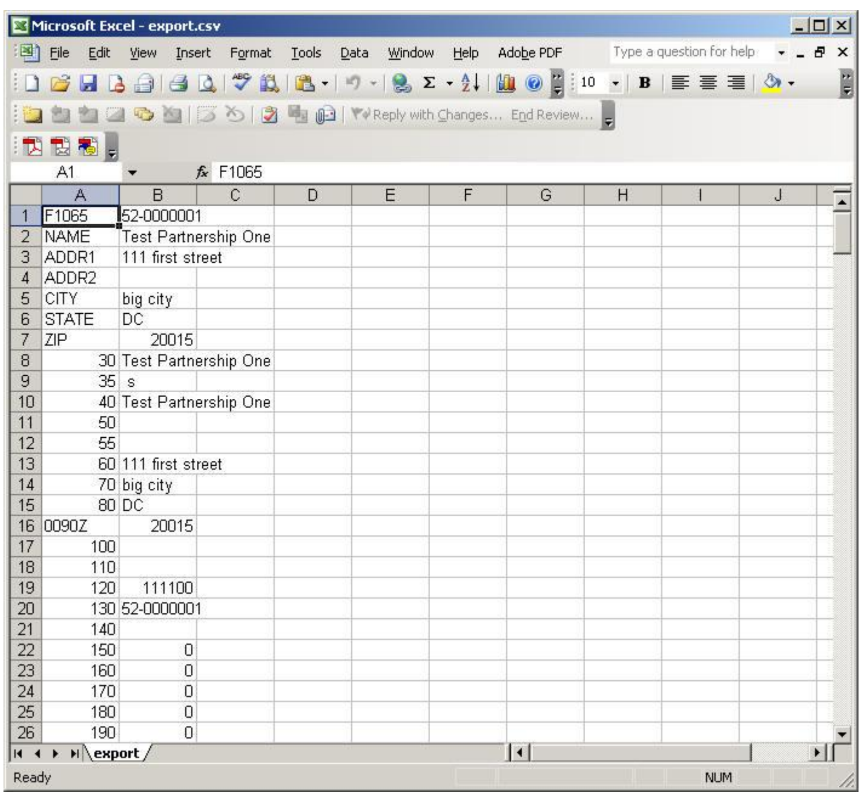


3. Select the type of form to export.



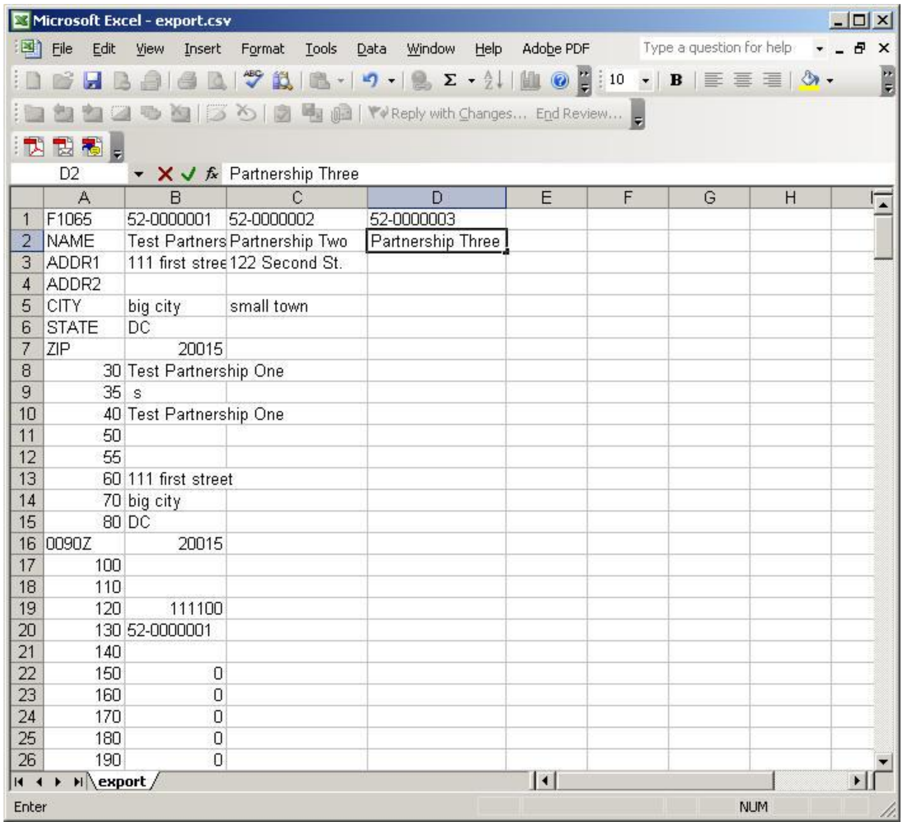
4. A template will be created with all the information you entered on the tax return on the appropriate row.

Each column will correspond to a tax return where the header is the EIN. Each row corresponds to a line from the tax return. The SSN or EIN numbers of each taxpayer will be across the top of the export file. Each row is one line code from the tax forms. Rows 2 to 7 will be given "universal" names to the line codes. The codes are NAME, ADDR1, ADDR2, CITY, STATE, and ZIP. These rows must remain named like that for the import back to work.



	A	B
1	F1065	52-0000001
2	NAME	Test Partnership One
3	ADDR1	111 first street
4	ADDR2	
5	CITY	big city
6	STATE	DC
7	ZIP	20015
8	30	Test Partnership One
9	35	s
10	40	Test Partnership One
11	50	
12	55	
13	60	111 first street
14	70	big city
15	80	DC
16	0090Z	20015
17	100	
18	110	
19	120	111100
20	130	52-0000001
21	140	
22	150	0
23	160	0
24	170	0
25	180	0
26	190	0

5. Use the template to enter additional returns. See the example below:



	A	B	C	D
1	F1065	52-0000001	52-0000002	52-0000003
2	NAME	Test Partners	Partnership Two	Partnership Three
3	ADDR1	111 first stree	122 Second St.	
4	ADDR2			
5	CITY	big city	small town	
6	STATE	DC		
7	ZIP	20015		
8	30	Test Partnership One		
9	35	s		
10	40	Test Partnership One		
11	50			
12	55			
13	60	111 first street		
14	70	big city		
15	80	DC		
16	0090Z	20015		
17	100			
18	110			
19	120	111100		
20	130	52-0000001		
21	140			
22	150	0		
23	160	0		
24	170	0		
25	180	0		
26	190	0		

6. You can add as many additional tax returns to your template as you want.

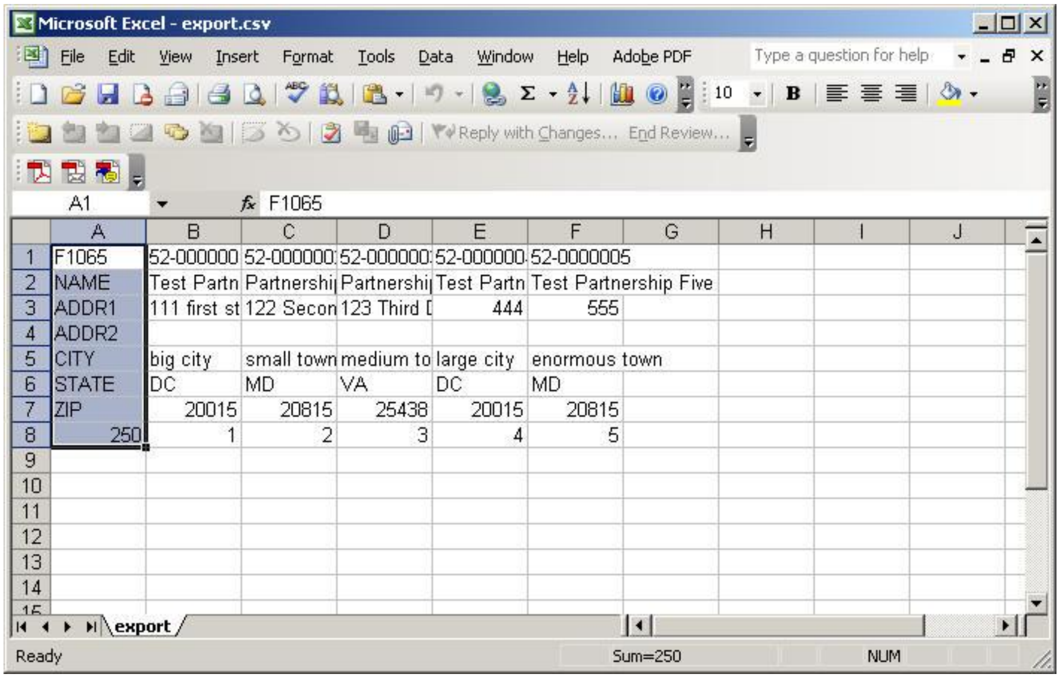
Importing your file from a Template

1. There are a few import rules to follow in order to import the file successfully.

Rule#1:

Delete all blank rows or rows with line codes that you are not using, but do not delete any of the line codes with alpha names (NAME, ADDR1, ADDR2, CITY, STATE, ZIP). For example, in a Partnership return, if you only need the name, address, and gross receipts or sales (line 1a), the template should look like this. (Code 250 is the IRS code for form 1065 line 1a).

Do not leave rows that you don't need in the CSV file. That might cause to import a Null code into the tax return.



Rule#2:

The program will only import the lines you enter and every entry you import will make a change to the tax return. Any new entry will override the previous one.

Rule#3:

Do not import total lines. For example, on Form 1065, line code 360 corresponds to line 8.Total income (loss). The program will automatically calculate the totals, so importing the total lines will generate errors on your tax return. If your template creates the total lines, make sure to delete them.

Rule#4

Do not change the order of the rows and do not change any of the codes on the left column.

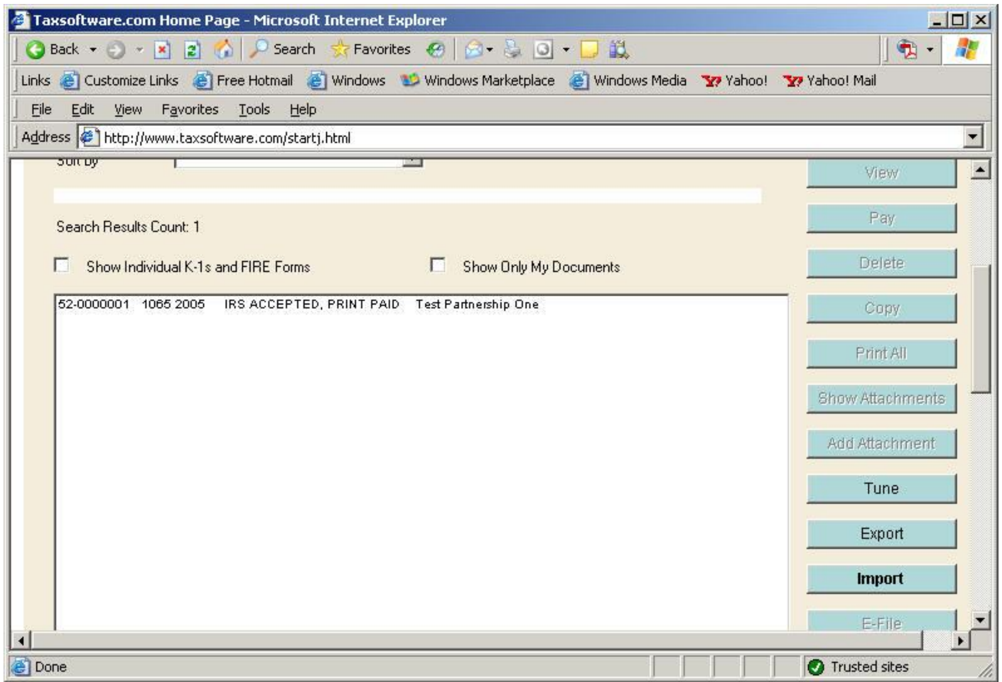
Rule#5

Make sure to have all the tax returns you are going to import information to showing on the main screen. If you are adding a new tax return, the new return will be created automatically. You must have at least one tax return on the CSV file that corresponds to an already created tax return in the database.

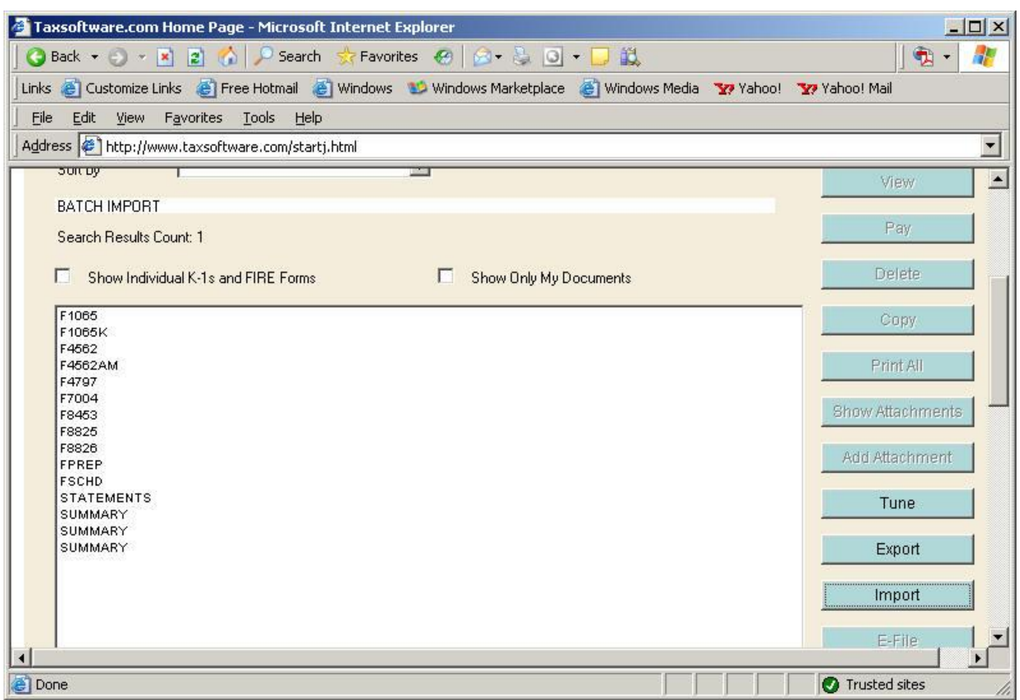
Rule#6

Do not use any symbol or characters such as #, $, %, comma, etc. on your spreadsheet.

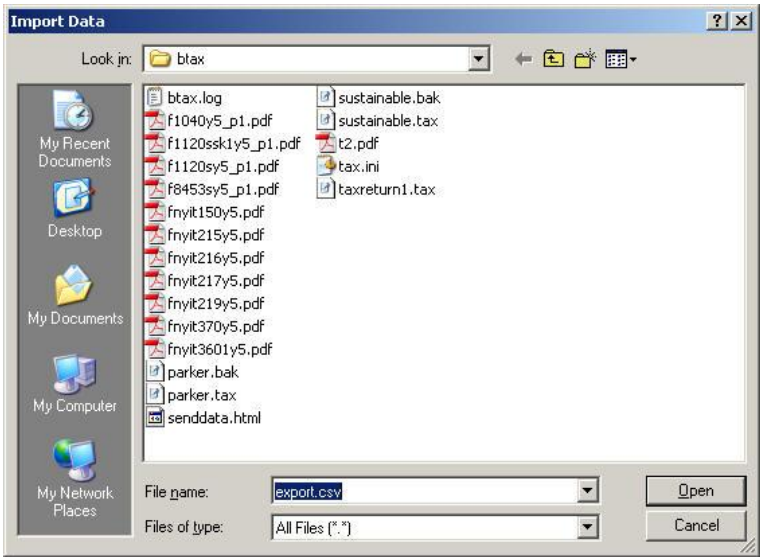
2. When you are ready to import, do not select any return on the main screen. Click on the Import button.



3. Select the type of form to import.



4. Select the file you are importing from.



5. Your main screen will look like this.